

OLYMPUS®

Your Vision, Our Future

Olympus Corporate Social
Responsibility Report

Toward the Realization of a Better Livelihood and Happiness

SocialIN

2011



Introduction

The Olympus Group first published its “Environmental Report” in 2000. In 2005, it began to publish the “Corporate Social Responsibility Report,” which also includes information about governance and social responsibility.

In 2008, we adopted a new approach designed to provide a clear overview of our business activities. Since then, we have provided detailed information on our website, while also publishing a printed digest version of the report containing information about our policies and significant initiatives each year.

Starting in 2011, we have published a more detailed full report in addition to the digest version, which was published in July 2011.

Because of anticipated shortages of ink and paper following the Great East Japan Earthquake that occurred on March 11, 2011, we have decided to publish both the digest and full versions of the report only in PDF form. Like the digest version, the full report was published a month behind schedule in October. It includes reports about past and future initiatives in response to the earthquake.

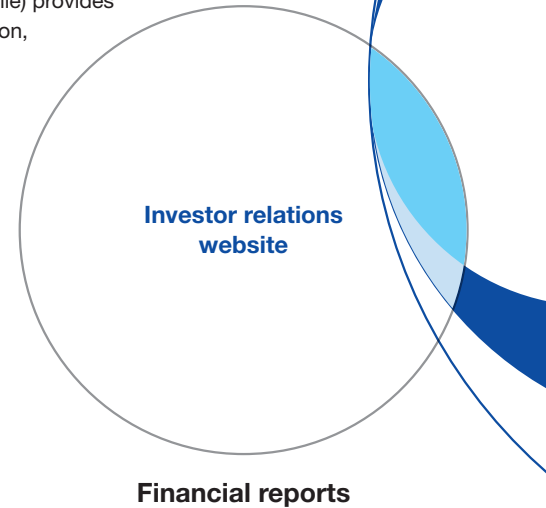
Overview of Corporate Social Responsibility Information

● Olympus Corporate Social Responsibility Report Digest (Published in July 2011)

The digest report is intended as a communication tool for use in providing stakeholders with selected information about initiatives and key topics relating to fiscal 2010.

● Olympus Corporate Social Responsibility Full Report

The full report (this PDF file) provides comprehensive information, including descriptions of specific initiatives and detailed data.



● Olympus CSR Activity Website

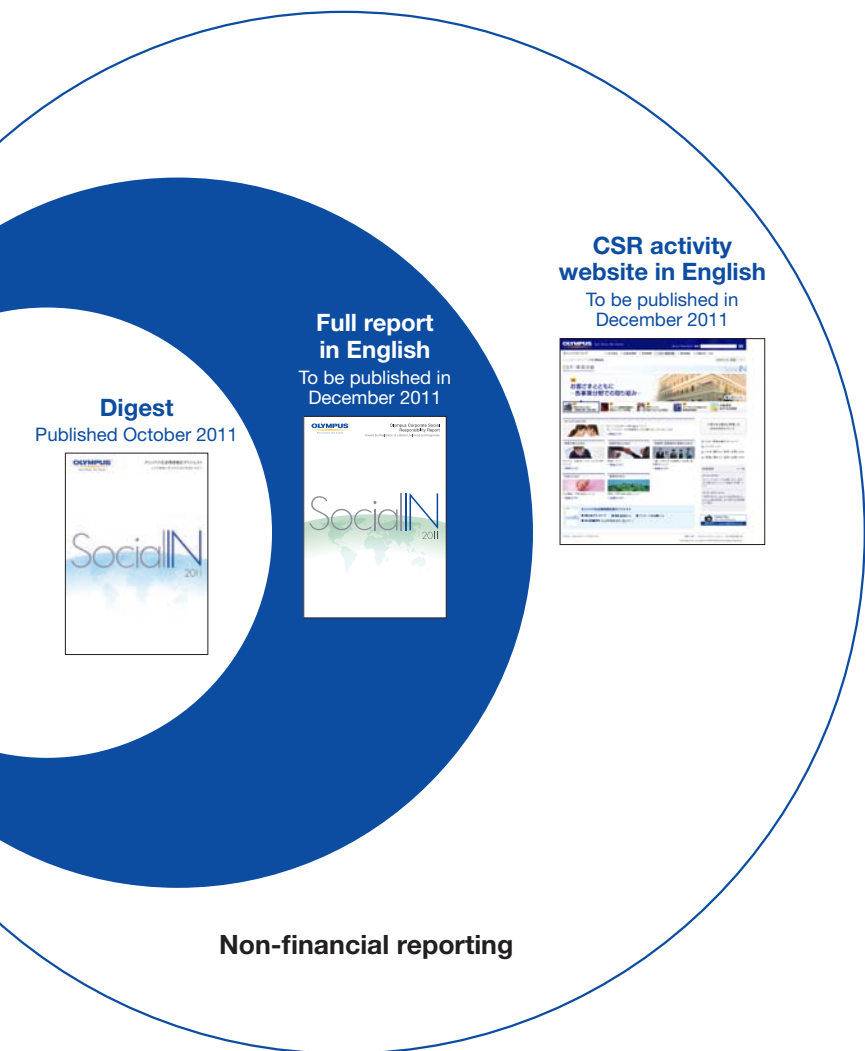
This notation **»WEB** indicates that more detailed information is available on the website.

»WEB [Olympus CSR activity website](http://www.olympus-global.com/en/corc/csr/)
<http://www.olympus-global.com/en/corc/csr/>

Reference Guidelines Used in the Compilation of the Corporate Social Responsibility Report

*Comparative tables pertaining to the Environmental Reporting Guidelines and the United Nations Global Compact have been placed on the Olympus Group CSR website.

- GRI, *Sustainability Reporting Guidelines 2006*
- *Environmental Reporting Guidelines* of the Ministry of the Environment, Japan (2007 edition)
- *Environmental Accounting Guidelines* of the Ministry of the Environment, Japan (2005 edition)



Digest
Published October 2011



Full report in English
To be published in December 2011



CSR activity website in English

To be published in December 2011



Non-financial reporting

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1 The website provides information about the Group's CSR policies, detailed case studies and information for each stakeholder category.

2 There are also sections presenting information designed for specific groups of stakeholders, such as consumers, shareholders and investors.

Scope of Report

Period: April 1, 2010–March 31, 2011

*The report also includes information about important recent events occurring up to June 2011.
(Special feature: The Olympus Group's Response to the Great East Japan Earthquake)

Organizations:

Economic Report

Olympus Corporation and its consolidated subsidiaries and affiliated companies

Social Report

In principle, Olympus Corporation, Olympus Imaging Corporation, Olympus Medical Systems Corporation (Information about other companies is included in items about specific events.)

Environmental Report

Olympus Group parent company and major production subsidiaries in Japan and overseas

*In principle, the ITX Group is excluded from the scope of the non-financial reports.

Social IN – Olympus aims to realize a better livelihood and happiness for all through its activities.

In today's world, with accelerated globalization, many global issues have arisen, such as economic and social imbalance, global warming and water scarcity.

The Olympus Group began to export microscopes early in its history and by the start of the 1960s we were actively expanding our business globally, including the establishment of subsidiaries in Europe, North America and India. As our business activities expanded, I am keenly aware that we have a need to increase the scope of our social responsibility to contribute to the solution of various problems, and we can do more than we have already done.

Our slogan under the new medium-term corporate strategic plan adopted last year is "Advancing to the Next Stage of Globalization." For the Olympus Group to achieve true globalization under this plan, it is necessary for us to develop corporate strategies with a global perspective, not prioritizing our focus on local matters.

I believe it is not enough to focus simply on profit. We

also need to work with our stakeholders through dialog and build win-win relationships based on mutual trust. I am convinced that this is the meaning of the Olympus Group's Social IN management philosophy, through which we offer new value, based on engagement with society and the sharing of values.

As part of its responsibilities as a corporate citizen, determined to survive in a global environment, Olympus has continually supported the initiatives launched in 2002, to achieve the United Nations Millennium Development Goals (MDGs) and Olympus joined in activities under the 2004 United Nations Global Compact.

One of the ways in which we are contributing to the achievement of the MDGs is through the use of the Olympus Group's imaging technology, to raise awareness of key challenges in Africa, such as poverty and environmental problems. For example, we have staged

First of all, we would like to express our condolences for all the victims of the Great East Japan Earthquake, and our sympathy to the many people who are still in a difficult situation in the wake of the disaster.

We are also sorry for our customers, as many of our suppliers and some Olympus Group facilities were also affected by the disaster, whilst further work will be needed before we can fully restore the Olympus Group as a whole with stakeholders. We are not only making relief donations but wherever possible, donating our products and providing special repair services for those who suffered in the disaster.

photographic exhibitions in cooperation with the UNDP and the AFP Foundation. We are also making a positive contribution to society through our business activities, including the Brave Circle campaign to eradicate colorectal cancer.

Furthermore, it is essential to achieve sustainable development of society as a fundamental principle in fulfilling our management philosophy. With a strong sense of mission toward society's expectation of reducing the environmental burden, we set our long-term target, "Carbon 1/2 2020" to halve our total fiscal 2007 CO₂ emissions by fiscal 2020 and will promote this in all areas of our business activities, including products, manufacturing operations and logistics systems.

We will strive to establish group-wide CSR management structure, to realise our management philosophy at global level.



A handwritten signature in black ink, appearing to read 'T. Kikukawa', written in a cursive style.

Tsuyoshi Kikukawa
Representative Director, Chairman, and
Chief Executive Officer

Toward the Realization of a Better Livelihood and Happiness

Olympus is a company dedicated to continuously creating value-added products, services and solutions, and contributing to health, happiness and livelihood for people. As such, Olympus approaches CSR activities to build win-win relationships with all stakeholders in our business activities.

Management Philosophy and Corporate Slogan

Since 1994, the Olympus Group has regarded the “Social IN” management philosophy as the starting point for management thought. This means that we strive to realize better health and happiness for people by being integral members of society, sharing common values, and proposing new values through our business. The Olympus promise is encapsulated in the phrase “Your Vision, Our Future,” which was adopted in 2003 as an in-

ternational corporate slogan. “Your Vision, Our Future” reflects the essence of Olympus, a determination to continue living as an active member of society, and realizing dreams in cooperation with society.

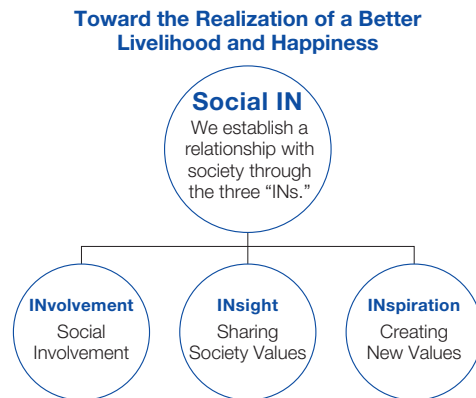
»WEB Corporate slogan, Your Vision, Our Future
<http://www.olympus-global.com/en/corc/profile/philosophy/vision.html>

Realization of Social IN

We aim towards establishing firm ties with society through the three IN's. The Olympus Group strives to realize better health and happiness for people by being integral members of society, sharing common values, and proposing new values through its business activities.

This is “Social IN” and it describes the basic Olympus philosophy underlying all our activities. Social IN comes from Social Value IN the Company, a concept of incorporating social values into the Company's activities.

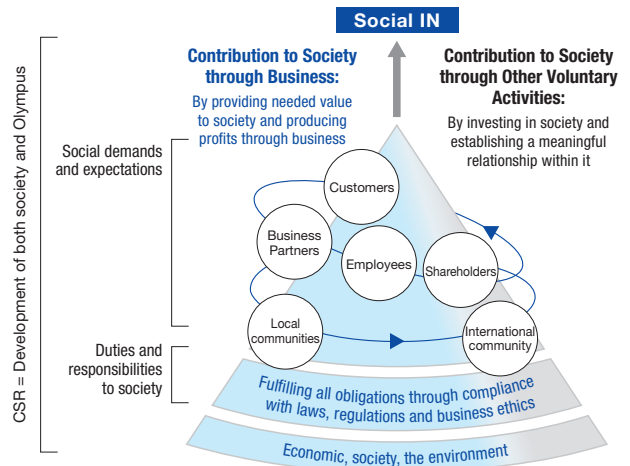
■ Olympus Group Management Philosophy



Approach to CSR

Through its CSR activities, the Olympus Group responds to the needs and expectations of society and fulfills its obligations and responsibilities. Olympus contributed to society in various ways even before it coined the phrase, “Social IN.” However, we believe we should do more. The business environment is constantly changing, and there is also gradual change in the social values that Olympus needs to share with society, and in our management and employees. Our continuing existence in this environment of constant change, and our ability to help people achieve healthy and happy lives depend on the fulfillment of our responsibilities to various stakeholders, namely our employees and their families, customers, business partners, shareholders, local communities and society.

■ The CSR Concept of the Olympus Group



Olympus Corporate Conduct Charter

Established in September 2004, the Olympus Group Corporate Conduct Charter and Code of Conduct to ensure that we fulfill our corporate social responsibilities by applying the “Social IN”

philosophy to our daily business activities. The Charter and the Code define the Olympus Group’s approach to CSR, including our approach to the environment.

Olympus Group Corporate Conduct Charter

Guided by the fundamental concept of Social IN and its keen awareness of its responsibilities as a corporate member of society and as a company prized by people with various value systems around the world, the Olympus Group continues to provide values needed by society to realize healthy and happy lives for people. The Olympus Group has a strong sense of ethics and complies strictly with relevant laws and regulations in its global corporate activities.

»WEB **Olympus Group Corporate Conduct Charter**
<http://www.olympus-global.com/en/corc/csr/olycsr/philosophy/csrcorporate/>

»WEB **Olympus Group Code of Conduct**
<http://www.olympus-global.com/en/corc/csr/olycsr/philosophy/csrcorporate/codeofconduct.html>

CSR-Related Philosophies and Policies

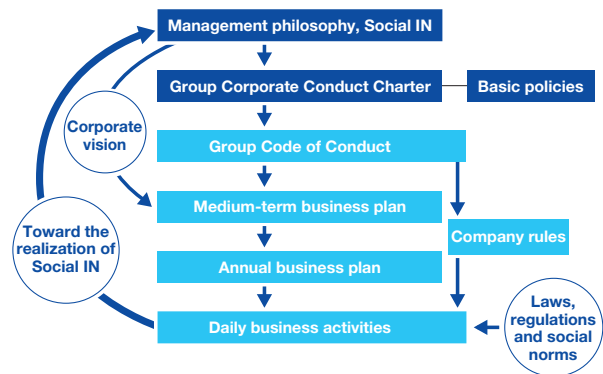
The Olympus Group established the following CSR-related basic policies, charter, and philosophy as the basis for thorough,

group-wide implementation of measures corresponding to items in the Corporate Conduct Charter.

■ Linkage to CSR Policies

The Olympus Group Corporate Conduct Charter		CSR-Related Basic Policies, Charter, Philosophy
Policies for Corporate Activities	1. Sound corporate activities	Information Security Policy Procurement Policy Personal Information Protection Policy
	2. Act on behalf of the customer	Quality Philosophy Personal Information Protection Policy
Involvement with People	3. Respect for human rights	Human Rights and Labor Policy
	4. Working environment with vitality	
Involvement with Society	5. Harmony with the environment	Environmental Charter
	6. Good relations with the community	Social Contribution Policy Information Disclosure Policy

■ From Management Philosophy to Policies/Plans/Actions



UN Global Compact

Olympus agreed with and joined the UN Global Compact in October, 2004.

The Global Compact (GC) is a voluntary initiative to create a global framework within which companies can contribute to good corporate citizenship and sustainable growth through responsible and creative leadership. GC signatories support and practice the ten GC principles, which relate to the protection of human rights, the elimination of unfair labor practices, protection of the environment, and the prevention of corruption, and are required to make continuing efforts, based on commitments by their own chief executive officers, toward the achievement of the

Millennium Development Goals of the United Nations.

The principles of the Global Compact are incorporated into our Corporate Conduct Charter and Code of Conduct and reflected in our business activities. Through the interaction and reciprocal influence with other Global Compact participants, Olympus continues to practice these ten GC principles in its business activities.

»WEB **United Nations Global Compact**
<http://www.unglobalcompact.org/>



Goal-Setting by CSR Committee Vital to Realization of “Social IN” Philosophy

We have modified our corporate governance structure and enhanced and expanded our compliance education programs as part of our efforts to realize the “Social IN” Philosophy and further enhance our group-level CSR initiatives. We are also continually improving our risk management systems and implementing risk reduction measures in response to risk factors with the potential to affect the Olympus Group.

Corporate Governance Organization and Role of the CSR Committee

Our “Social IN” management philosophy is the starting point for all activities of the Olympus Group. In September 2004, we adopted the Olympus Group Corporate Conduct Charter and Code of Conduct to ensure that we would fulfill our corporate social responsibilities by applying this philosophy to our day-to-

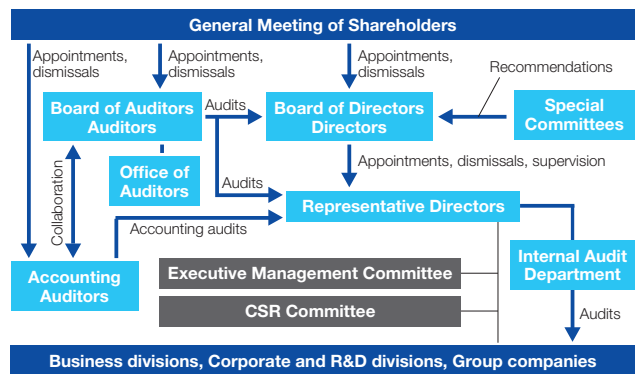
day business activities. In fiscal 2010, we established the CSR Committee, which works several promotion committees and strengthen our initiatives to realize our management philosophy.

Corporate Governance—Timely Decision-Making and Effective Supervision

The Board of Directors consists of 15 directors, including three external directors. Normally the Board of Directors meets once each month to make timely decisions on business strategies and other important management matters, and to provide appropriate supervision of business operations. To ensure accountability, the term of office of directors has been set at one year so that their performance can be assessed annually. Olympus has further strengthened its governance by adopting an executive officer system, under which the decision-making and oversight responsibilities of the Board of Directors are separated from the operational executive functions of the executive officers. The external directors supervise decision-making by the Board of Directors from an independent perspective. They are also seen as a source of expert knowledge that can be applied to the management of Olympus. Olympus discloses information about its governance systems, including details of its auditor systems, in its Corporate Governance Report.

»WEB **Business Management System**
<http://www.olympus-global.com/en/corc/csr/olycsr/soundcorpo/business/>

Corporate Governance Structure



Establishment of CSR Committee —Target Setting and Performance Assessment for CSR Activities in the Olympus Group

Olympus expanded its existing Risk Management Committee and created a new CSR Committee with the aim of realizing its “Social IN” corporate philosophy through further reinforcement of its company-wide CSR activities. The task of the CSR Committee is to spread and consolidate CSR activities throughout the Olympus Group by helping the President, who chairs the committee, to make decisions, and by promoting and monitoring the application of the plan, do, check action (PDCA) approach to all decisions. Several promotion committees have been established under the CSR Committee. These work with the CSR Committee to study corporate policies, develop plans and promote their implementation in the functional areas for which they are responsible.

CSR Committee and Promotion Committees



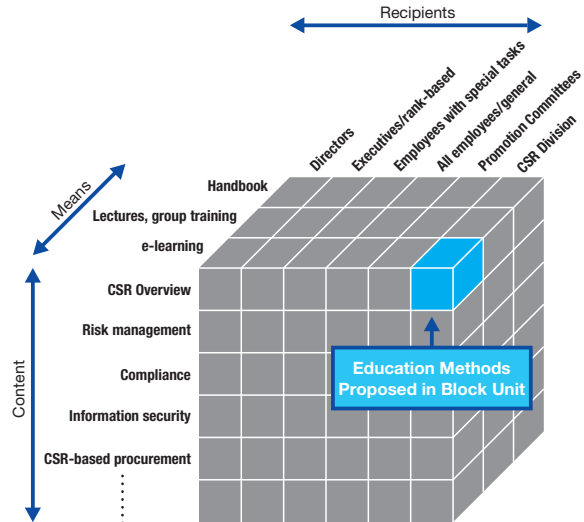
Compliance Structure—Reinforcement of Compliance Structure and Enhancement of Education Systems

As part of its compliance education activities, Olympus distributes a CSR Guidebook to employees and other members of the Olympus organization and works to raise awareness of compliance and CSR initiatives. The main priorities for the Compliance Promotion Committee, which was created as a subsidiary organization of the CSR Committee, are to visualize the compliance situation throughout the Olympus Group, and to provide CSR education for employees and other members of the Olympus organization. Compliance visualization is achieved by clearly identifying the organizational units responsible for regulatory compliance, and by sharing information about the compliance situation across all units. CSR education has been restructured around a newly developed CSR Education Cube concept, which is based on three axes: content, means and recipients.



CSR Guidebook

The CSR Education Cube

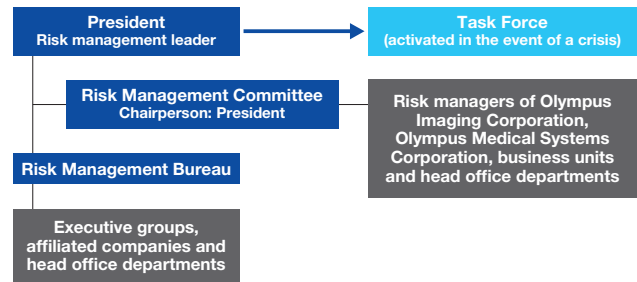


Risk Management System

Special Committee, Headed by the President, Supervises Risk Management

Corporations face the possibility of unexpected risks as a result of their expanding economic activities and changes in the social system and people's awareness. Therefore, at Olympus, the Risk Management Committee, headed by the President, plays a central role in reducing daily risks and taking proactive measures to prevent crises as well as setting up an emergency response system so that we can appropriately respond to a major crisis.

Risk Management System



Protecting Information

Olympus has adopted the Olympus Group Information Security Policy and established the Information Security Promotion Committee to provide a group-wide organizational framework for measures to ensure information security. Security measures are implemented from the human, material, organizational and technical perspectives. Specifically, access to Olympus facilities is controlled using IC card systems. Corporate servers and PCs are protected from viruses and unauthorized access by means of automatically updated antivirus software, firewalls, quarantine systems, and anti-spam measures. To raise employees' understanding of information security issues, we have published a security handbook based on corporate rules on the intranet. We also provide e-learning programs for all executives and employees. Another initiative

designed to raise awareness of information security is Information Security Month. Lectures and other events are staged during this period to remind employees about the importance of information security. We also draw attention to information security through an active program of education and information activities during the year-end/New Year period. Olympus handles stakeholders' personal information using appropriate methods and in accordance with the Olympus Group Information Security Policy.

- »WEB **Information Security Policy**
<http://www.olympus-global.com/en/corc/csr/olycsr/soundcorpo/protection/security.html>
- »WEB **Personal Information Protection Policy** (Only in Japanese)
<http://www.olympus.co.jp/jp/corc/csr/olycsr/soundcorpo/protection/privacy.cfm>

Ethics Committee

Olympus has taken advantage of synergies with other business areas, such as microscopes (cellular tissue observation technology) and surgical endoscopes (minimally invasive surgical equipment), to build an involvement in regenerative medicine and genome-related business activities. Experts review activities in these fields

from an ethical perspective at meetings of the Ethics Committee.

- »WEB **Rules of the Ethics Committee** (Only in Japanese)
<http://www.olympus.co.jp/jp/corc/csr/olycsr/soundcorpo/irb/rules/>
- »WEB **List of Ethics Committee Members** (Only in Japanese)
<http://www.olympus.co.jp/jp/corc/csr/olycsr/soundcorpo/irb/member/>

Toward the Realization of a Better Livelihood and Happiness

Olympus is a company dedicated to continuously creating value-added products and services and contributing to health, happiness and livelihood for people. As such, Olympus approaches CSR activities to build win-win relationships with all stakeholders. Details of this commitment can be found on the following website.

»WEB **Olympus CSR website** <http://www.olympus-global.com/en/corc/csr/>

Olympus aims to improve not only its own corporate value but also that of its suppliers through collaborative CSR initiatives at all stages of the supply chain. Specifically, we are working to strengthen our partnerships with suppliers by ensuring that every transaction is based on compliance with all laws and regulations, respect for human rights, as well as the environment, whilst ensuring that all business dealings are fair and open.

P36-37

»WEB **For Suppliers**
<http://www.olympus-global.com/en/corc/csr/procurement>

**Shareholders/
Investors**



To ensure consistent compliance with laws and regulations, Olympus has established compliance systems based on its Social IN management philosophy. In fiscal 2009, we continued to provide compliance education for executives and employees. We also assessed the effectiveness of the internal control systems used to ensure the accuracy and reliability of financial reporting.

P7-8

»WEB **Olympus Investor Relations website**
<http://www.olympus-global.com/en/corc/ir/>

Suppliers



Olympus

R&D



Production



**The
Environment**



Olympus aims to contribute to the creation of a healthy environment and a human society capable of sustainable development, through technology development and business activities based on harmony with the environment and respect for the natural systems on which human safety and health depend. Under this environmental philosophy, we are working globally to minimize environmental burdens throughout product life cycle by creating environment-conscious products and conducting environmentally responsible business activities.

P21-24, P46-60

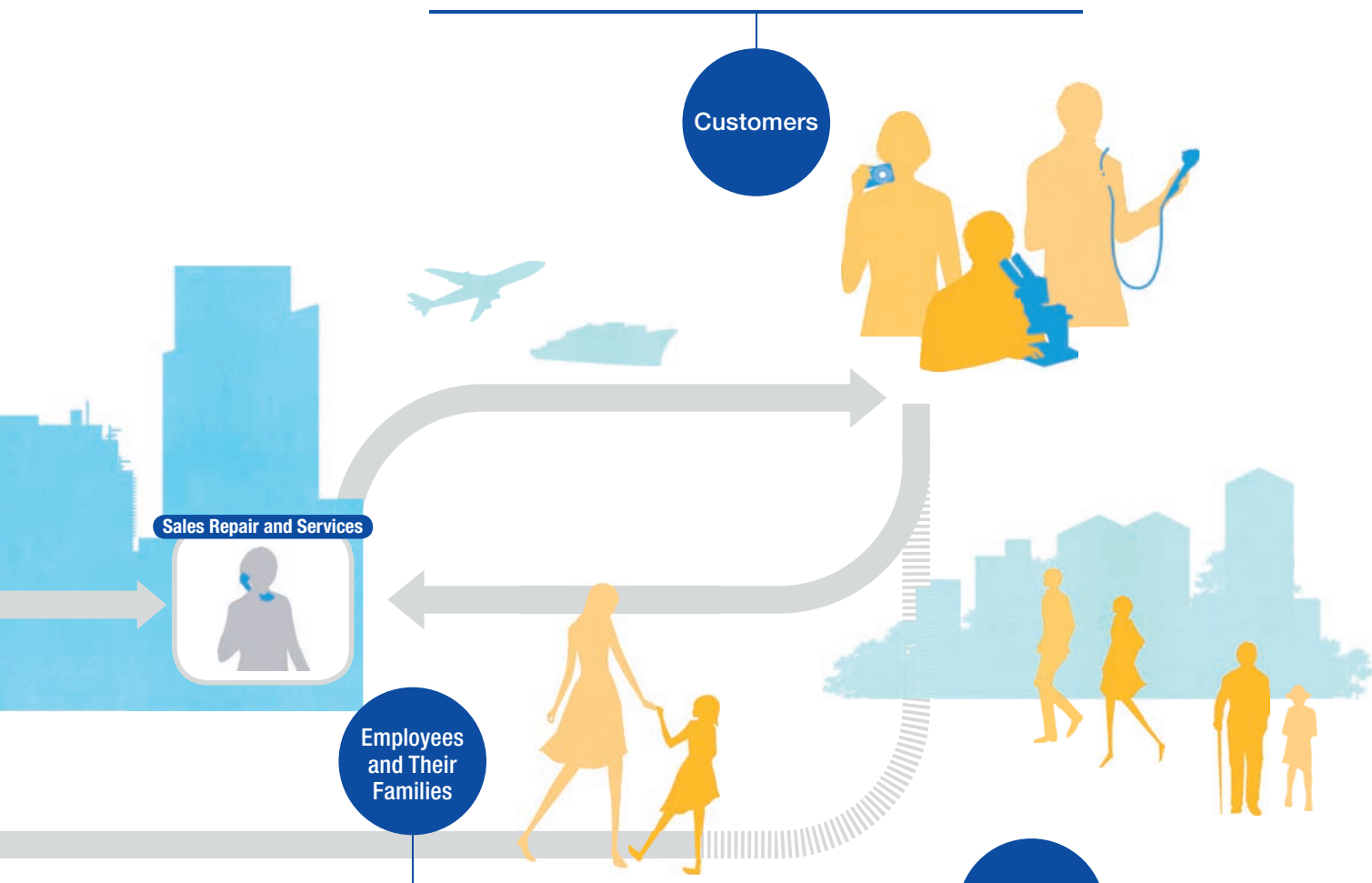
»WEB **For the Environment**
<http://www.olympus-global.com/en/corc/csr/environment/>

We want our customers to be happy that they chose Olympus products, which is why we have established systems to support the use of customer feedback across the entire Olympus organization through “Voice of Customer” (VOC) activities. We are also enhancing and expanding our customer satisfaction (CS) training programs for all employees.

P11-16, P29-35

»WEB For Customers

<http://www.olympus-global.com/en/corc/csr/customer/>



Employees are the most vital and valuable asset for the Olympus Group. We aim to provide the best possible working environments for our employees by respecting human rights and providing attractive work opportunities that contribute to enhanced personal and corporate growth. We ensure that working environments are safe and pleasant by complying with all local laws and regulations and by implementing measures and initiatives that reflect the characteristics of individual overseas subsidiaries.

P19-20, P38-41

»WEB For Employees and Their Families

<http://www.olympus-global.com/en/corc/csr/workplace/>

Society

As a global citizen, Olympus aims to improve and continue its relationships with all stakeholders by developing business activities from the perspective of making contribution to society by using our technological and human resources in activities that benefit society.

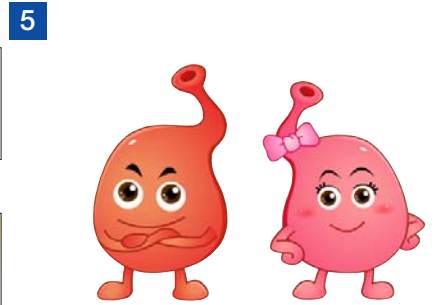
P17-18, P42-45

»WEB For Society

<http://www.olympus-global.com/en/corc/csr/social/>

- 1 An endoscope training center was opened in Beijing in July 2010.
- 2 Endoscope training activities inside the center
- 3 The Chinese version of the logo used for the gastrointestinal health education campaign
- 4 The Chinese version of the onaka-kenko.com logo
- 5 Mascot characters used in a gastrointestinal health education program in China

Olympus contributes to the improvement of health services in emerging and developing countries through its business activities by opening training centers, by promoting minimally invasive medicine, and by disseminating health-related information.



[For Customers] **Medical Systems Business**

Helping to Improve Healthcare Standards in Asia's Growth Economies through Enhanced Endoscope Training

Early Discovery, Early Treatment

Many years ago a doctor asked Olympus if it could create a camera capable of recording images inside the stomach as a way of discovering stomach cancer, a common disease in Japan. This led to the development of the world's first practical gastroscope in 1950.

In the six decades since that time, Olympus has continually enhanced its systems by introducing the latest technology of the day, including glass fiber, charge coupled devices (CCDs) and Hi-Vision, always heeding the views of physicians and other medical professionals as it worked. Today the role of endoscopes has expanded to include not only observations inside the body, but also minimally invasive medicine, in which endoscopes are used in combination with various medical instruments to allow medical procedures to be carried out while minimizing the impact on the patient. From the initial gastroscope, endoscopes have evolved to include systems designed for other areas of the body, including the esophagus, duodenum, large intestine, biliary tract, respiratory organs, the ear, nose and throat, the urinary organs, and gynecological organs. Olympus has also established endoscope training

systems in various countries to ensure safety and help physicians to acquire the necessary skills.

At the same time, Olympus has worked to eradicate cancer through public information campaigns about the importance of regular examinations. In recent years, the incidence of colorectal cancer has increased in Japan, Europe and North America. However, advances in medical technology allow cancers to be removed endoscopically without the need for abdominal surgery. Because colorectal cancer produces few subjective symptoms in the early stages, it is important to have annual fecal occult blood tests, and to undergo thorough endoscopic examinations if the presence of disease is suspected. In Japan, Olympus launched the "Brave Circle" campaign to eradicate colorectal cancer in 2007. In 2009, it restructured the campaign as a specified non-profit organization, through which it now works with government agencies, organizations and other companies to promote regular cancer checks. Overseas, Olympus supports similar campaigns to promote cancer examinations in Canada, the Czech Republic and South Korea and is a member of the National Colorectal Cancer Roundtable in the United States.

Strategies in China's Expanding Medical Equipment Market

With a population in excess of 1.3 billion, China continues to achieve rapid economic development. It is estimated that the number of stomach cancer patients in China is increasing by 400,000 every year and accounts for around 40% of the world total. There has also been a significant increase in the number of colorectal cancer sufferers over the past 10 years.

In 2009 the Chinese government announced its "Opinions on Pharmaceutical and Healthcare System Reform" and a prioritized medium-term implementation plan for pharmaceutical and healthcare reform. China's goals for its reform program include the establishment of a uniform national insurance scheme. However, medical institutions are unable to recruit sufficient physicians with endoscopic skills, and training has become an urgent priority.

Olympus responded to this situation by establishing a training center in Shanghai in 2008. In July 2010 it established its second training center in China in Beijing. These training centers are making an important contribution to the training of physicians with endoscopic skills. Trainees undergo theoretical and practical training in subjects that include the endoscopic examination of digestive organs, and the operation of medical instruments and surgical equipment in conjunction with endoscopes.

The medical staff who manage the equipment, including nurses and technicians, undergo the same training as physicians. Through these activities, Olympus is helping to raise the standard of medical care while also creating a market. Benefits include the increased use of endoscopic examinations and minimally invasive medicine to reduce the impact of medical procedures on patients, the early detection of cancer, and the improvement of patients' quality of life (QOL).

Gastrointestinal Health Awareness Programs for the General Public

Cancer is frequently discovered early in Japan and South Korea, where health checks are common, but in China few people undergo preventive examinations, and the early discovery rate for stomach cancer is low. In fiscal 2008, Olympus responded to this situation in China by launching a gastrointestinal health awareness campaign targeted toward the

general public. In fiscal 2009, gastroenterologists presented briefings for the local media in 20 cities. The purpose of this initiative was to spread awareness of the concept of the "three earlies" (early discovery, early diagnosis, early treatment). In addition, Olympus created a Chinese version of its onaka-kenko.com website. This website, the name of which means "belly health," is used in Japan to provide information about gastrointestinal health to the general public under the supervision of physicians. People in China can now use the Chinese-language version of the site to check their own gastrointestinal health.

In addition to the dissemination of information through the media, Olympus has begun to implement a variety of initiatives based on public participation in fiscal 2010. In collaboration with two media organizations in the fashion and health field, it staged a series of "Health Lectures for 100 People." Presented by medical specialists, the lectures were presented in 10 cities, starting in March, and each was attended by an invited audience of 100 readers. In August, Olympus began to promote awareness of the "three earlies" concept and actively encouraged people to have endoscope examinations by using mascot characters to present information on a dedicated website. In September, Olympus launched a major campaign in Beijing under the title "Wei ai wei wei" (for the sake of love, love your stomach). Gastroenterologists and celebrities were invited to participate in a press conference to announce the campaign, which included walking-for-health programs, health lectures and other events. Publicity initiatives included the designations of October each year as "Gastrointestinal Care Month." These initiatives have produced a steady increase in awareness of the "three earlies" concept in China. Olympus will continue to implement a range of initiatives, including touring exhibits and events.

Through these activities, Olympus is contributing to the development of healthcare systems and the improvement of health in this rapidly growing market.

- » **WEB** **A dedicated website used to promote awareness of gastrointestinal health**
http://cn.olympus.com/T_gajh/index.aspx?nodeid=163
(Only in Chinese)
- » **WEB** **The Chinese version of the onaka-kenko.com website**
<http://www.cwjkc.com.cn/>
(Only in Chinese)
- » **WEB** **The Japanese onaka-kenko.com website**
<http://www.onaka-kenko.com/>
(Only in Japanese)

TOPICS

Building the Medical Systems Business in Emerging and Developing Countries

Economic growth has also been accompanied by increasing demand for healthcare services in other emerging and developing countries. In India, endoscopes are already used extensively in therapies for patients suffering from spleen and gallbladder conditions. The healthcare business is expected to emerge alongside the IT sector as a major contributor to India's rapid economic growth, and demand for medical equipment is likely to expand speedily. Olympus has established endoscope training centers at several hospitals in India to support the training of physicians with endoscopic skills.

In April 2010, it established Olympus Medical Systems India Private Limited on the outskirts of Delhi, the capital of India. This medical subsidiary will undertake marketing activities and strengthen customer interfaces by building systems to support the provision of high-quality services.

Olympus is also establishing training centers to provide training for medical professionals and support staff in other emerging and developing countries in Asia, Central and South America and Africa. Decisions on the locations of these centers are based on healthcare needs and local circumstances.



A service center in India

- 1** Viewing the new comprehensive website
- 2** A worker inspects pipes using the OmniScan MX2 phased array ultrasonic flaw detector.
- 3** An IPLEX FX industrial videoscope in use at a wind power facility in New Zealand



Olympus industrial products are used throughout the world. To ensure that Olympus products offer the same value to all users, Olympus provides support through a multilingual website. As part of our efforts to respond to the needs of our customers, we also conduct continual customer satisfaction surveys worldwide. The results are used to improve the usability of the website.



[For Customers] [Life Science & Industrial Business](#)

Meeting Diverse Customer Needs through a Global Multilingual Website

Multiple Sites for a Single Product

Corporate websites are one of the means used to provide product information to customers. For this reason, we must ensure that the information is easy to understand and free of omissions and duplication. However, when Olympus acquired R/D Tech Inc. (now Olympus NDT Inc., “ONDT”), which manufactures and sells non-destructive testing equipment in North America, in June 2005, overseas subsidiaries of Olympus and R/D Tech all maintained their own websites, and there were multiple websites for the same products. In some locations, outdated product information was left on websites, and the focus of advertising content also varied.

Since the Olympus Group as a whole supplies the same industrial products globally, we decided to integrate the two companies’ websites into a single global website that would be easier for our worldwide customers to use.

Website Integration

In March 2008 we launched a website integration project. This began with the translation of content compiled in English into texts in multiple languages, which were then checked by local subsidiaries. While the website creation process was complex, it was completed in a short period under the overall control of executives in Japan, who were in direct contact with local staff in each country.

As a result of this work, we now have a single website that can be maintained and updated centrally. This ensures that product information is updated properly.

During the project, some overseas subsidiaries resisted the closure of their existing pages, on which they had spent considerable time and effort. There were also differences in design values. Much time was needed to resolve these and other issues. There were also numerous communication problems resulting from time differences, and from the need to use English in all communications, despite the fact that English is not the native language of many of the countries involved.

However, each problem was overcome through a shared commitment to approaching the task from the customer's perspective, and through sustained coordination efforts, including the use of videoconferencing to discuss design factors. It was also necessary to review our global sales promotion structures, and we integrated our promotional catalogs under a common design.

Through this work we created a website with content in 11 languages, including not only English and Japanese, but also French, German and Spanish. (In 2010 the number of languages was increased to 13.) By using the same design and distributing the same information content in all languages, we were able to ensure the distribution of uniform information about Olympus in 95% of the world's market, regardless of the regions or products involved. The platform used by ONDT in the United States was adopted to create a system that allows the staff responsible for each product to edit related information via the Internet. This has enhanced the efficiency of web development and reduced both person hours and costs compared with website creation in Japan.

Products shown on the website immediately after the integration project in 2008 included an industrial videoscope capable of remote control, and a high-speed video camera. In 2010, the scope of the website was expanded to include industrial microscopes and X-ray analysis systems. On May 2, 2011, the website was revamped and relaunched.

■ Responding More Efficiently to Customer Inquiries

With the integrated website, inquiries about repairs and products are placed in a central data base. This means that regardless of the country or region from which an inquiry originates, immediate assistance can be arranged anywhere in the world, simply by sending an e-mail to the appropriate local subsidiary or distributor, according to the product concerned.

In May 2009, we began to use this mechanism to conduct customer satisfaction surveys as a way of determining whether customer inquiries were being handled effectively. One week after their inquiry, customers in each region are asked to indicate (1) how long it took to receive a response, (2) whether they were satisfied with this response time, and (3) whether they were satisfied with the response. If customers indicate that they are dissatisfied, we ascertain the situation with the local subsidiary or distributor and take steps to remedy any problems. Through this process, we are steadily taking steps to deal with individual issues, such as regional variations in satisfaction levels, and failure to respond to inquiries because of the large number received. However, while the number of people who were dissatisfied was initially high, we were able to make improvements based on analyses of detailed views obtained from survey participants. Two years later the majority of respondents are indicating that they are satisfied.

■ Enhancing Website Usability

By creating this integrated global website, Olympus has been able to distribute its brand image as a manufacturer of non-destructive testing equipment to customers worldwide. We will continue to update the website and add useful new functions. We also plan to add more languages, and to make optimal use of existing systems and information processing tools to enhance the content, including the provision of web-based training for complex products. This website will continue to be an important tool for the improvement of customer interfaces.

»WEB **Olympus Life Science & Industrial Business**
<http://www.olympus-ims.com/>

VOICE

Comment
from an
Employee
in Japan

We want to create a better website from the customer's perspective.

Apart from the difficulty of negotiating in English, we also had to deal with a variety of disagreements and arguments stemming from differences in design values in each country, differences in responses to problems and the time taken to make decisions. We sought to reconcile these views by working as a group and approaching our tasks from the customer's perspective. I am very happy that this work has borne fruit in the form of a new website that can be used to distribute information to customers throughout the world. We will never be satisfied with the status quo, and we will continue to work to achieve further improvement in customer satisfaction.

Misa Aso

Marketing and Communications Group
Product Planning & Marketing
Communications Department
Life Science & Industrial Systems Group



Comment
from an
Overseas
Employee

Website integration has allowed us to respond to regional differences in customer needs.

Previously our websites were managed separately in each region and product category. By creating an integrated global website and identifying each visitor's country or region from IP addresses, we are able to display the information sought by each customer instantly even though there is only one global website. I believe that this approach will allow us to improve customer confidence by building a global business with local customers.

Meindert Anderson

Communications and Marketing Manager
Olympus NDT Inc.





1 A user reads a Braille catalog for the Digital Voice Recorder, DM-4/DM-5 digital voice recorder.

2 The Digital Voice Recorder, DS-40 (left) is the first Olympus digital recorder with voice guidance. The Digital Voice Recorder, DM-4/DM-5 (right) conforms with the Digital Accessible Information System (DAISY) standard*1 and the Color Universal Design (CUD) principles.

*1 This is a system of common international standards for digital books, which are taking the place of books recorded on tape for people with visual impairments or reading difficulties. It is developed and maintained by the DAISY Consortium, of which Olympus is a supporting member, as a common global system for information accessibility.

Olympus continues to enhance the usability and accessibility of its digital recorders for all users, including those with disabilities.

[For Customers] **Imaging Systems Business**

A Universally Usable Product with Audio Guidance and DAISY-Compliant Features

Developed with the Cooperation of Organizations for People with Visual Impairments

Olympus has been a leading manufacturer of voice recorders since the launch of its first microcassette recorder in 1969. It has continually pioneered new advances in this field, including digital voice recorders and linear PCM recorders that surpass CD playback in terms of sound quality, so that users can enjoy enhanced audio quality and ease of use.

Around 2003, Olympus received a communication from a person with a visual impairment and learned that its recorders were being recommended as products that could help people with visual impairments to convey their wishes and intentions. We then began to develop new products with the assistance of organizations for people with visual impairments and others with reading difficulties, including the British Dyslexia Association (BDA) and the Royal National Institute for the Blind (RNIB) in the United Kingdom and the National Federation of the Blind (NFB) in the United States.

Launched in November 2006, the Digital Voice Recorder, DS-40 features a voice guidance system (switchable between Japanese and English) that audibly announces the operating status of the device so that it can be controlled even if the display cannot be seen. This feature makes the product accessible for people with visual impairments. The product's excellent reputation for usability also reflects the advice provided by RNIB and other organizations concerning the shapes of the buttons, including the "Record," "Playback" and "Stop" controls.

The Digital Voice Recorder, DS-61, which was launched in October 2008, features an enhanced voice guidance system. This product has earned an excellent reputation for its sophisticated features and won the Wonder Vision Award*2 in January 2009. It has also been introduced at NFB events.

*2 These awards are presented to suppliers of "Vision Free" products and services for use by people with visual impairments. The winners are selected by a U.S. organization for people with visual impairments.

■ The DAISY-Compliant Digital Voice Recorder, DM-4/DM-5

A single user inquiry prompted Olympus to develop the Digital Voice Recorder, DS/DM series. Our aim in creating these products is to provide enhanced usability*³ and accessibility*⁴ for all users by reflecting the assessments and views of organizations for people with visual impairments, such as the RNIB, in their designs.

Examples of this approach include the shapes of the buttons and the provision of voice guidance, including audible indications of the battery level. We also applied the Color Universal Design (CUD) principles to facilitate recognition by people whose color vision differs from that of the majority.

The Digital Voice Recorder, DM-4/DM-5, which was launched in Japan and the United States in June 2010, and the DM-5, which went on sale in Europe, offer not only conventional music, audio book and podcast playback functions, but also the capacity to create reading environments for people with visual impairments and dyslexia*⁵, including audio book playback and text display functions that comply with the DAISY standards. One of the reasons for the popularity in Europe, North America and Japan is the fact that they are sold as general products and are available at ordinary mass sales outlets, eliminating the need to go to specialist retailers.

Olympus has based the development of these products on direct dialog with representatives of national organizations for people with visual impairments in the United Kingdom and the United States. In Japan, where related groups and facilities tend to be organized within local government areas, Olympus promotes its products at information meetings in Braille libraries and other facilities and at exhibitions of welfare-related equipment. We also lend products in response to inquiries and seek user opinions for use in the development of future products.

In addition to the development of new products. We also enhance the usability of products that have already been sold by issuing firmware updates.

*³ The narrow definition of "usability" is the ease with which products and services can be used. The term is also applied to the development of products and services from the user's perspective, taking into account the characteristics of products or services, and changes in the people who use them and the circumstances under which they are used.

*⁴ Accessibility is the ability of an item, such as a product, building or service, to be used without difficulty by anyone, including aged people or people with disabilities, or the level of that ability.

*⁵ Dyslexia is a condition that includes difficulty with reading or writing in the absence of specific abnormalities in relation to intellectual capacity or other characteristics.

■ Future Initiatives

Olympus is a major sponsor of QAC Sight Village events, which are held by Queen Alexandra College Birmingham for people with visual impairments. Venues include London, Manchester, Birmingham and other British cities. Each year over 2,000 people attend these events, which are important opportunities for people with visual impairments to obtain information about new technologies and support equipment.

In addition to its collaboration with related organizations, Olympus also works directly with people who have visual impairments to improve the usability, accessibility and functionality of its products. We will continue to develop products with enhanced usability for all users, regardless of whether or not they have disabilities.

VOICE

Comments from a User

I look forward to working with Olympus again to enhance product usability.

Due to the commitment of the team at Olympus, its excellent digital recorders and other recording devices that combine excellent accessibility with a wide variety of functions, including playback functions for audio teaching materials and DAISY books have been produced and continue to be developed.

We are wholeheartedly continued working with the company as partners to produce high quality accessible products for the people with visual impairments.

Mr. Steve Tyler

Head of Innovation and Development
Royal National Institute for the Blind



Comment from an Employee

Our goal is to create products that will provide enhanced usability for people with visual impairments.

In the area of digital voice recorders, Olympus has not only been working with the RNIB but also with visual impaired users to improve the products that meet their needs. I am very pleased that this collaboration has allowed us to supply many products with functions that include voice guidance and the DAISY book playback, and that these products are so highly regarded by our customers and organizations for the visually impaired. We will continue our efforts to create products that will provide enhanced usability for people with visual impairments.

Lee Buckley

National Account Manager
KeyMed (Medical & Industrial Equipment) Ltd.



Olympus and the United Nations Development Programme (UNDP) organized the second “Picture This” photo contest to support efforts to achieve the Millennium Development Goals. The award ceremony and photographic exhibition were held in the United Nations General Assembly Auditorium. A program about this project was produced for international broadcasting.



Overcoming Poverty

Photo Contest Held to Promote Efforts to Achieve the MDGs—“Picture This: We Can End Poverty”

3,400 Entries Worldwide

As in 2009, Olympus again sponsored a photo contest on the theme of the Millennium Development Goals (MDGs)¹ in cooperation with UNDP and the AFP Foundation founded by the French news agency Agence France-Presse. The title for the second contest was “Picture This: We Can End Poverty.” Entrants were asked to submit photos depicting ordinary people in both developed and developing countries working toward the realization of the MDGs, which include the halving

of poverty by 2015. Over 3,400 entries were received from countries throughout the world.

Prize-winning entries were selected in professional and amateur categories for each of the eight MDGs by a five-member judging panel that included actor and UNDP Goodwill Ambassador Antonio Banderas and former U.N. photographer John Isaac.

The award ceremony was held in September 2010 to coincide with the United Nations Millennium Summit. The venue was the Trinity Hall, which is adjacent to the United Nations

The Millennium Development Goals (MDGs)

- | | |
|---|---|
| 1. Eradicate extreme poverty and hunger | 5. Improve maternal health |
| 2. Achieve universal primary education | 6. Combat HIV/AIDS, malaria and other diseases |
| 3. Promote gender quality and empower women | 7. Ensure environmental sustainability |
| 4. Reduce child mortality | 8. Develop a global partnership for development |

■ A logo created to promote awareness of the MDGs



Reproduced with the permission of the Hottokenai Sekai no Mazushisa (Don't let it be-World Poverty) organization

»WEB “Picture This: Caring for the Earth”
<http://www.undp.org/picturethis2010/>



- 1 The award ceremony was held at Trinity Hall in September 2010. From left: UNDP Administrator Helen Clark, Olympus Corporate Executive Officer (then) F. Mark Gumz, AFP Photo Director Paola Messana, the winner of the overall first prize in the professional category
- 2 Prakash Hatvalne of India won the overall first prize in the professional category for his photograph "A Step Ahead."
- 3 This photograph, entitled "Daily Work," earned Tran Vinh Nghia of Vietnam the overall first prize in the amateur category.
- 4 "Gender Equality" by Agha Rizwan Ali of Pakistan won the People's Choice award.
- 5 A photo exhibition arranged by the UNDP at the Global Environmental Outreach Centre (GEOC)

General Assembly Auditorium. A photographic exhibition was also staged just prior to the Summit as an opportunity to inform delegates about individuals working toward the realization of the MDGs.

At the award ceremony, F. Mark Gumz, then President and CEO of Olympus Corporation of the Americas, presented a message calling for cooperation toward the achievement of the MDGs. He also presented the awards to the winners.

In Japan the photographic exhibition opened in December 2010 at the Global Environmental Outreach Centre (GEOC). It has since been taken to other cities, including Kobe, Osaka, Sapporo, Yokohama, Nagoya and Tokyo. These exhibitions are staged with the cooperation of organizations supporting efforts toward the achievement of the MDGs, including the Japan International Cooperation Agency (JICA) and the Japan NGO Center for International Cooperation (JANIC). As a member of the international community, Olympus will continue to

contribute to the realization of the MDGs through education and publicity initiatives.

*1 The Millennium Development Goals (MDGs) are eight goals to be achieved by the international community by 2015. In addition to goals adopted by at the United Nations Millennium Summit in September 2000, they also include international development goals adopted at previous summit meetings.

International Program about the Contest

"Picture for the Future,"*2 a documentary about the contest, was produced by Olympus and Japan International Broadcasting Inc. It includes scenes from the award ceremony and interviews with prizewinners, interviews with young Japanese who traveled around Asia taking photographs to enter into the contest, comments by John Isaac, who was one of the judges, and coverage of the United Nations Millennium Summit. The program gave people around the world an opportunity to see many photographs with a strong message of hope for the future, and to learn about the significance of day-to-day efforts by ordinary people toward the realization of the MDGs.

*2 The program was broadcast worldwide (excluding Japan) a total of 12 times by NHK World, on November 5 and December 31, 2010.

VOICE

Comment
from Our
Co-Sponsor

An Opportunity to Encourage Efforts to Achieve the MDGs

I would like to thank UNDP's partners in Picture This Photo Contest and the Exhibition, Olympus Corporation. By showing what people around the world are doing to eradicate extreme poverty in their communities, we see that the Millennium Development Goals are not just abstract targets, but are about making a tangible difference in people's lives. It is our hope that through showcasing these real and positive actions, more people will be motivated to contribute to this effort.



Ms. Helen Clark
Administrator
United Nations Development Programme (UNDP)

TOPICS Sharing Meals with Children in Developing Countries

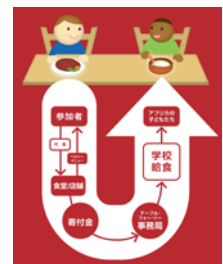
In October 2010, staff at Olympus Group business site in Japan were able to buy meals that include donations to the "Table for Two" program. Beverage vending machines also offer items that include donations.

Table for Two, which originated in Japan, is a social contribution program designed to alleviate hunger in developing countries, and obesity and lifestyle diseases in developed countries. Participants donate ¥20 for each Table for Two meal purchased and ¥10 for each beverage. The proceeds are used through Table for Two International to provide school meals for children in developing countries.

In developing countries, ¥20 is sufficient to provide one school meal. The provision of school meals not only reduces the hunger of children, but also leads to improvements in school attendance, scholastic perfor-

mance and basic health. This initiative also helps to prevent disease and build a sense of community between schools and parents and is playing an important role in the reduction of poverty.

Between October 2010 and March 2011, Olympus donated ¥366,002. Cafeterias at some business sites were closed because of the shutdown of operations after the Great East Japan Earthquake and subsequent problems, including food shortages and planned power cuts. This situation has led to the suspension of Table for Two services in some locations, but the program is progressively being reinstated.



The development of young leaders is vital both to the Olympus Group and to the local community. One of the goals of our human resource development activities is to support the development of young managers with high potentials at Olympus and strengthen personnel exchanges and business networking among the diverse nations, peoples and cultures of Europe.

1 2 Lecture and Discussion in the JuMP Module

3 Attendants of JuMP in FY2011



JuMP an Initiative to Develop Future European Leaders of Olympus Changes to Leadership Training Program

Changes to Leadership Training Program

Under its Social IN (Social Value in the Company) management philosophy, the Olympus Group works to help people everywhere to enjoy healthier and happier lives through its global business activities. Through its Corporate Conduct Charter, Olympus has also made a commitment to respect for human rights, the provision of dynamic working environments, and engagement with society. As a member of the local communities in which it undertakes business activities, Olympus has worked to develop human resources according to customs and conditions in each country.

In 2004, Olympus Europa Holding GmbH (OEH) introduced the European Junior Management Program (JuMP) to provide development opportunities for young managers. The program is designed to achieve benefits that contribute to organizational growth, including enhanced leadership skills and management qualities in individuals, improved cross-cultural understanding, and expanded personal and business networking within Europe.

Six-Month Focus on Business Priorities

Since the inception of the program, its outcomes have been continually analyzed and the findings used to make further improvements. In 2010, Olympus Europa Holding decided to introduce some major changes to the programme by (1) introducing Olympus Senior Managers next to external facilitators as trainers therefore making active use of their internal specialized knowledge, (2) fostering interaction and exchange between participants and senior management by introducing regular round-table discussions, and (3) revising all content of the program and aligning it strictly to the critical success factors (CSFs) needed to become successful Olympus managers.

The participants are selected according to recommendations by executives at Managing Director level. Selection criteria include specialized knowledge, past achievements, motivation, leadership qualities and commitment to growth. Before entering the program, participants must first complete assessments of their current situations by taking part in the Feedback Workshop*, which is an in-house human resource development program run by OEH.

Combining both theory and practice, the JuMP program consists of several days of training, including lectures, case

studies from various fields and group discussions, together with a six-month period working on projects relating to business priorities assigned by the Board of Directors of Olympus Europa Holding. During the training phase, Managing Directors attend classes for round-table discussions, while executives at the divisional/department general manager level provide direct guidance by facilitating the training sessions. As a result of these changes to the program, managers at a high level of seniority play a direct role in the development of young managers.

In fiscal 2010, 13 young managers from six European countries (France, Russia, the Netherlands, Germany, Belgium, Denmark) took part in the program between January 2011 and January 2012. A cumulative total of 56 employees will by then have completed the program since its inception in 2004.

Olympus believes that the key strength of the JuMP program is the fact that it helps participants to improve their management-related problem-solving skills in ways that are closely linked to actual business situations, such as case studies provided by executives at the General Manager and Managing Director level. In addition, the program provides excellent opportunities for networking as participants from different organizations and countries undergo the training. In particular, the problem-solving projects set by the OEH board

of directors give program participants opportunities to demonstrate their skills to directors.

* This program is designed to allow individuals to assess the current level of their own capabilities through feedback from executives at the Director and Managing Director level concerning areas in which individuals would need to develop their strengths further if they were working at a higher level within Olympus.

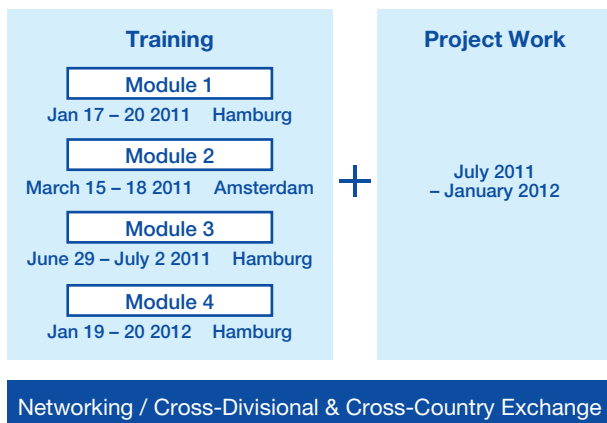
■ Olympus Group's Human Rights and Labour Policy

Setting our Human Rights and Labour Policy as the Olympus Group's common base, we respect the independence of each local company in the world, taking into consideration national circumstances when developing personnel and labor measures. We will consider cross-border cooperation in nurturing management that contributes to the healthy development of the company and the creation of workplaces with improved working environments.

■ Olympus Human Rights and Labor Policy (Extract)

- Olympus supports and respects the Universal Declaration of Human Rights, adopted by the United Nations in 1948, and commits to respect our employees' human rights, and also expects the protection of human rights by our business partners.
 - This Olympus Human Rights and Labour Policy applies to all Olympus group companies globally.
 - Olympus respects diversity, character and human rights of each employee, provides employees with opportunities to fulfill their potential, develop their capabilities and maximize their value, and strives to maintain safe and healthy working environment.
 - Olympus supports and respects the protection of internationally proclaimed human rights within the sphere of our influence, and ensures that Olympus are not complicit in human rights abuses.
 - Olympus ensures not to use any forced or bonded labor in the production of Olympus products or services.
 - Olympus complies with local minimum age laws and requirements and does not employ child labor.
 - Olympus strives to eliminate discrimination based on gender, race, nationality, ethnicity, religion, disability etc. that are unrelated to the job performance required for the business interests of Olympus.
 - Olympus respects the rights of workers to organize in labor unions in accordance with local laws and established practice.
- * This policy is not applicable to listed companies that have a separate policy.

■ Structure of Program in FY2011/2012



VOICE

Comment from the organizer

Programme has multiplier effects to the Senior Managers

We can see in the development of the JuMP participants that they transfer learnings and ideas out of the training sessions quickly to their daily life. We explain this with the introduction of Senior Managers as trainers—in addition to external facilitators—directly linking the training contents to the Olympus world. Furthermore the networking opportunity of Senior Managers and participants has lead to fruitful discussions giving both sides the opportunity to exchange thoughts and ideas in an informal way. All in all, we can truly say that the introduction of the changes to our JuMP-Programme in 2011 has proven to be a great success.

Esther Kebbel
Manager Corporate Social Responsibility
Manager European HR Development
Olympus Europa Holding GmbH



Comment from a participant

JuMP adds the significant personal development as the manager

The Junior Management Program has added significant value to my personal development towards being a manager within the Olympus organization. In my current role as sales manager for the microscopy division in the Netherlands, JuMP is a structured way to get trained in all aspects of my business. I strongly believe in trying to get the best out of people. By challenging them on a daily base and by creating an environment where they can give and expect the best from Olympus. This requires good management and the JuMP program helps me with that.

Gerrit Bouw
Manager
Sales of Microscope
Olympus Nederland B.V.



1 Malaysian fireflies are being studied as part of research into luminescent substances.

2 Olympus Surgical Technologies Europe has reduced its electric power needs by around 74% by installing heat recovery compressors and by using rooftop solar panels to collect heat and generate electricity at its facilities in the Czech Republic.

3 The OLYMPUS PEN Lite E-PL2 SLR camera (left) and the SZ-30MR compact digital camera (right) have both been classified as Olympus Super Eco-Products.



One of the targets adopted by the Olympus Group is a 50% reduction in CO₂ emissions throughout product lifecycles by 2020. We are now working to minimize environmental loads at all levels, including products, packaging, manufacturing processes and logistics.

3



Helping to Build a Sustainable Society

Toward the Recycling-Oriented Society—Reducing Environmental Loads across Product Lifecycles

Environmental Policies and Initiatives of the Olympus Group

In 1992, the Olympus Group adopted the Olympus Group Environment Charter. This consists of the Olympus Environmental Principles, which define our basic positions on environmental issues, together with the Guidelines for Environmental Action, which provide specific activity guidelines. Since then we have sought to align our activities toward society's need for a transition away from business models and lifestyles based on mass-consumption of finite resources, and to contributing to the creation of a recycling-based society committed to the sustainable utilization of diverse resources, including energy, minerals and biological resources. We regard global warming as a problem of particular importance, and we have set ourselves the long-term goal of achieving a 50% reduction in total CO₂ emissions across entire product lifecycles by 2020 (relative to the fiscal 2007 level). In fiscal 2010 we conducted an assessment of the relationship between our business activities and biodiversity. In 2011 we will formulate an action plan based on this assessment so that we can undertake biodiversity initiatives linked to the characteristics of our business.

■ The Olympus Group Environmental Charter (Extract)

Environmental Protection Declaration

The Olympus Group respects people's security and health as well as the natural mechanisms on which these rely. We are also contributing to the realization of a sustainable society and sound environment through environmentally compatible technological development and corporate activities.

Guidelines for Environmental Action

In all business activities, the Olympus Group will give priority to environmental protection and will apply itself with dedication to this task, both on an organizational and individual basis.

1. Technology Development
2. Drawing up Norms and Assessing Results
3. Protection of Natural Resources and Prevention of Pollution
4. Compliance and Activity Support
5. Education and Total Staff Participation
6. Structure to Promote Activities

»WEB **Olympus Group Environmental Charter**
<http://www.olympus-global.com/en/corc/csr/environment/emanagement/principles>

Consideration for Biodiversity

Fair Sharing of Benefits with Biological Resource-Producing Nations

To develop a new microscope capable of capturing luminescent images through CCDs, Olympus needed to develop highly luminescent reagents. We therefore began to study the luminescent substances used by Malaysian fireflies, which are characterized by the strength of their lights.

During this research, we took particular care to apply the access and benefit sharing (ABS) principle* with regard to the harvesting and utilization of genetic resources. Because this research project involved the use of biological resources in another country, we began by asking Nimura Genetic Solutions Co., Ltd. (NGS), a biological resource exploration company, which has a local R&D facility and research personnel in Malaysia, to intermedicate on our behalf.

Olympus then conducted the research in collaboration with local researchers, eliminating the need to take fireflies and luminescent substances out of Malaysia. As intermediary, NGS created a mechanism that allowed benefits from the research, including intellectual property rights obtained through the use of biological resources, to be returned to Malaysia. By entering into an agreement with the Malaysian government concerning the use of the biological resources, NGS was able to reconcile our corporate interests with the interests of Malaysia as the owner of the resource.

As a result of this approach, Malaysia benefited both from the research expenditure and benefits obtained through the research, including intellectual property rights. Our approach to this research and development project was guided by a commitment to the equitable sharing of benefits with the country that owns the biological resources.

* The ABS principle calls for the sustainable use of biological resources and the fair and equitable sharing of benefits gained through the use of genetic resources, including money, knowledge, information and technology. A legal framework for ABS was established at the 10th Conference of the Parties to the Convention on Biological Diversity (COP10) in October 2010.

VOICE

Comments
from Staff

A Development Approach that Respects Biodiversity and Brings Benefits to All Concerned

We have been studying luminescent substances used by fireflies for many years. Since the Convention on Biological Diversity came into effect in 2000, we have taken particular care with the handling of genetic resources in this work. This latest project focused on tropical fireflies, which are characterized by the superior intensity of the light that they produce. We carried out research in cooperation with local research organizations and ensured that our development work was guided by concern for local biodiversity and sustainability in Southeast Asia.

Hirobumi Suzuki
Team Leader, Cytological Analysis Group 1
Advanced Analysis Technology R&D Dept.
Medical Technology R&D Division
Corporate R&D Center, Olympus Corporation



Product-Related Initiatives

Commencement of Olympus Super Eco-Products Program

In fiscal 2003, Olympus began to formulate its own eco-friendly design standards with the aim of reducing environmental loads throughout product lifecycles. Products that met these standards were certified within Olympus Group as Olympus Eco-Products. In fiscal 2010 we certified another 63 Eco-Products, bringing the cumulative total to 349. For the first time the items certified as Eco-Products included accessories, such as medical endoscope instruments and immersion oil for use during microscopic observation through oil immersion object lenses.

In fiscal 2010, we decided to accelerate our efforts to achieve long-term environmental targets through the reduction of environmental loads by designating Olympus Eco-Products that meet any of four additional criteria as Super Eco-Products. The additional criteria are (1) a reduction of at least 50% in total CO₂ emissions throughout the product lifecycle, (2) a mass reduction of at least 30%, (3) the use of innovative eco-friendly technology, and (4) selection for external environmental awards. We have been administering this new system since fiscal 2010. In that year we certified the first seven Super Eco-Products, including the OLYMPUS PEN Lite E-PL2, which is featuring innovative eco-friendly technology, and the SZ-30MR, a compact digital camera with 38% less mass than a standard product. We will continue to contribute to the reduction of environmental loads through our business activities by working to create Olympus Super Eco-Products in all product categories.

The Olympus Eco-Products System

Super Eco-Products Standards

Products must meet the Olympus Eco-Products Standards and each of the following additional criteria.

1. A reduction of at least 50% in total CO₂ emissions*¹ (compared with benchmark products*³)
2. A mass reduction of at least 30%*² (compared with benchmark products*³)
3. The use of innovative eco-friendly technology
4. Selection for external environmental awards

*¹ LCA basis

*² Mass of packaged product (the total mass of product, together with accessories and packaging)

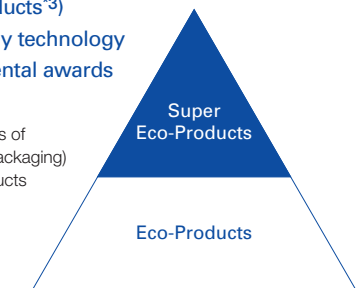
*³ In principle, compared with FY2007 products



ECO-PRODUCTS

The Olympus Eco-Products logo

»WEB



Olympus Eco-Products

<http://www.olympus-global.com/en/corc/csr/environment/products/eco-products/>

Manufacturing Initiatives

Environmental Load Reduction Measures Geared to Conditions at Individual Sites

From its business sites in Germany, the Czech Republic and elsewhere, Olympus Surgical Technologies Europe (OSTE) develops, manufactures, sells and services medical endoscopic equipment. The company approaches these activities in environmentally responsible ways that reflect local conditions.

OSTE's new manufacturing and service site in the Czech Republic has been operational since November 2009. OSTE has worked exhaustively to optimize the environmental performance of facilities at the site, which it hopes will be the first plant in Central Europe to achieve a Class A environmental assessment*. Energy-related measures include the installation of energy-efficient lighting systems, heat pumps and heat recovery compressors, as well as rooftop solar panel arrays to generate electricity and collect heat. These initiatives have reduced the plant's energy needs by 74% compared with earlier plants. OSTE has also emphasized the 3R (reduce, reuse, recycle) concept in its selection of facilities. Organic solvents are reused after treatment within the plant, and every effort is made to utilize resources efficiently.

At its development, manufacturing and sales sites in Germany, OSTE has worked with Olympus Europa Holding GmbH, the Olympus Group's regional headquarters for Europe, not only to reduce energy consumption, but also to switch to renewable hydroelectric sources for all electric power purchased. These efforts have reduced electricity-related CO₂ emissions to zero and cut total CO₂ emissions by approximately 2,000 tons per year.

* This standard (ČSN 730540-2, IEC 730540-2) was formulated by the International Electrotechnical Commission (IEC) to define conditions for the technical assessment of thermal insulation costs in energy-efficient buildings.

VOICE

Comments from Staff

Everyone living today has a responsibility to protect the environment.

I believe that consideration for the environment is essential because of our need to achieve harmony with the local environment, and also as a duty to our descendants. By installing advanced facilities, OSTE has raised the environmental awareness of its employees and given them a sense of pride in their work and workplaces. I think that everyone living today should be environmentally responsible in their day-to-day activities and work to maintain a healthy environment for future generations.



Jan Sondag
General Manager
Olympus Medical Products Czech
Olympus Surgical Technologies Europe

Logistics-Related Initiatives

Dramatic Reductions in CO₂ Emissions through Expanded Modal Shifts and Other Initiatives

Environmental loads are also generated during the transportation of products and parts because of the use of fuel and packaging materials. The Olympus Group is especially committed to the reduction of environmental loads relating to its Imaging Business because of the large volumes transported. We are working globally to reduce CO₂ emissions in logistics by expanding our modal shift from air to sea freight, and by developing lighter and more compact products and packaging materials. These initiatives reduced the Olympus Group's total logistics-related CO₂ emissions by 33% compared with the fiscal 2009 level.

We will continue to seek further reductions in environmental loads by selecting environment-friendly transportation methods, by reducing the weights and volumes of products and packaging, and by improving packaging materials.

VOICE

Comments from Staff

Major Increase in Percentage of Imaging Products Transported to the United States by Sea

We initially saw modal shifts as a way of reducing costs. However, consumers began to focus increasingly on our efforts to reduce environmental loads, and we are now working more proactively in this area. Our exhaustive environmental initiatives include not only the reduction of weights of individual product packages, but also changes to the bulk packaging used to hold multiple products, and even measures targeting accessories.



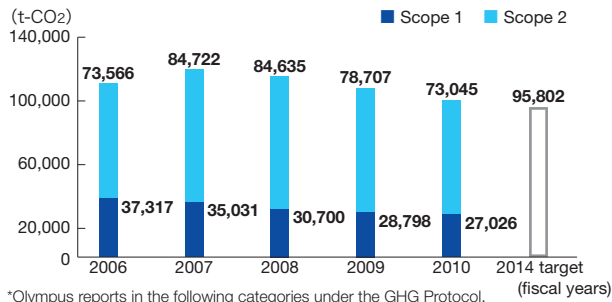
Hiroshi Kishimoto
Vice President
Finance & Operations
Olympus Imaging America Inc.

Future Goals

The entire Olympus Group will continue to contribute to the creation of a sustainable society by reconciling manufacturing with environmental protection through eco-friendly business activities and the supply of eco-friendly products and services. All Olympus employees are united under corporate committees and organizations in their efforts to supply the best products and services while maintaining high standards of environmental responsibility in all processes. This commitment is especially strong in the area of product development and design, which defines the overall direction of manufacturing activities, and in the development of technology to support development and design.

Summary of Performance Data for the Olympus Group's Environmental Activities

CO₂ Emissions at Manufacturing Sites



*Olympus reports in the following categories under the GHG Protocol.
 Scope 1: Greenhouse gas emissions resulting from the direct use of fossil fuels
 Scope 2: Greenhouse gas emissions resulting from secondary utilization, such as the purchase of electric power

CO₂ Emissions Reduced by 16% from FY2007 Level

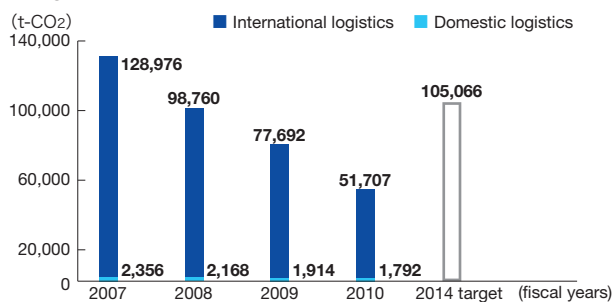
FY2014 Target: 20% Reduction from FY2007 Level

CO₂ emissions in the current fiscal year amounted to 100,071 tons, a reduction of 16% from the fiscal 2007 level (7% year on year reduction).

At our business sites in the Shinshu region of Japan, we have been switching from heavy fuel oil to liquefied natural gas (LNG) and electricity, which emit less CO₂. We have also substantially reduced emissions of greenhouse gases used in cleaning, semiconductor etching and other processes, such as HFC, PFC and SF₆. These reductions have been achieved through technological innovations, including the use of alternative solvents.

In addition, we are working to improve energy efficiency through improvements to our manufacturing operations, including day-to-day energy-saving initiatives based on data from electric power monitors installed at our plants, as well as the development of compact production facilities that use less electric power. We are also installing solar light and heat utilization equipment at our business sites in Japan and Europe.

Logistics-Related CO₂ Emissions



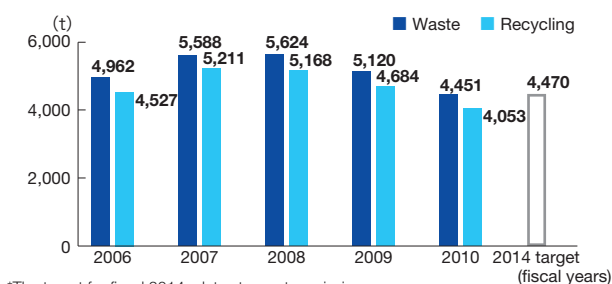
Logistics-Related CO₂ Emissions Reduced by 60% from FY2007 Level

FY2014 Target: 20% Reduction from FY2007 Level

Logistics-related CO₂ emissions in the current fiscal year totaled 53,499 tons, a reduction of 60% from the fiscal 2007 level (33% year on year reduction).

The Olympus Group will continue to target further reductions in environment loads by choosing environmentally responsible transportation methods, by reducing the size and weight of products and packaging materials, and by improving packaging materials.

Waste Emissions



*The target for fiscal 2014 relates to waste emissions.

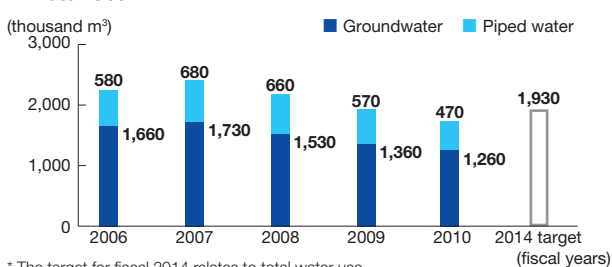
Waste Emissions Reduced by 20% from FY2007 Level

FY2014 Target: 20% Reduction from FY2007 Level

In the current fiscal year, waste emissions were reduced by 20% from the fiscal 2007 level and by 13% year on year to 4,451 tons.

In addition to measures to reduce disposals at landfills and improve recycling ratios, we are also working to reduce the actual quantity of waste by improving resource productivity in our manufacturing operations. For example, we are developing new manufacturing technologies to reduce process losses, and designing products to minimize waste.

Water Use



* The target for fiscal 2014 relates to total water use.

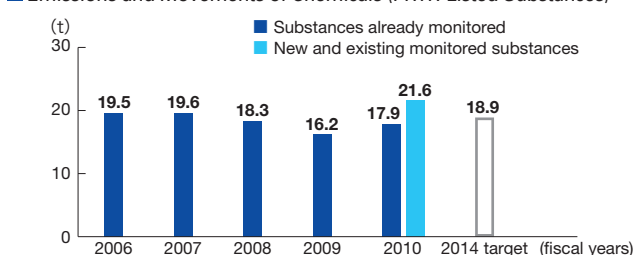
Water Use Reduced by 28% from FY2007 Level

FY2014 Target: 20% Reduction from FY2007 Level

Water use in the current fiscal year was reduced by 28% from the fiscal 2007 level and by 11% year on year to 1.73 million cubic meters.

Water is an extremely important resource for our business activities because of its use in various processes, such as the washing of parts. The protection of water resources is also an important priority for the maintenance of biodiversity. For these reasons, we are working to reduce the consumption of water resources in our business activities through various initiatives, including cascade recycling, whereby water is reused multiple times between the intake and wastewater stages, as well as the development of manufacturing methods that reduce water use, and the prevention of water leaks through facility inspections.

Emissions and Movements of Chemicals (PRTR-Listed Substances)



*Newly listed substances are substances that were added in fiscal 2010 following amendments to the PRTR system.

*Substances already monitored are substances that were listed in or before fiscal 2009. The target for fiscal 2014 relates to substances already monitored.

Handling of PRTR-Listed Substances Reduced by 8% from FY2007 Level

FY2014 Target: 20% Reduction from FY2007 Level

In the current fiscal year, emissions and movements of PRTR-listed substances were reduced by 8% relative to the fiscal 2007 level to 17.9 tons. However, there was a 10% year on year increase resulting from the increased use of toluene and xylene in coating processes. The total amount of PRTR-listed substances handled, including substances that were newly listed in fiscal 2010, amounted to 47.0 tons, and emissions and movements totaled 21.6 tons.

We are developing new powder coating materials for microscope coats. Other initiatives include the use of alternative solvents in order to reduce the amount of organic solvents used on lens processing lines.

Special Feature

The Olympus Group's Response to the Great East Japan Earthquake

We offer our heartfelt prayers for the safety of everyone in areas affected by the Great East Japan Earthquake, and for a speedy recovery from the disaster. The first priority of the Olympus Group after the March 11 earthquake was to ensure safety and health. As a company involved in the healthcare field, we also had a social responsibility to resume our business operations as quickly as possible. In addition to donations of money and products, we also recruited volunteers from among our directors and employees to participate in relief initiatives in the disaster area.

March 11,
2011

Earthquake, Initial Response

Immediately after the earthquake, a central response headquarters with subsidiary functional teams and local response organizations were established under the leadership of then President Kikukawa. The initial priorities as this organization began to respond to the disaster were to ensure the safety and health of employees, prevent further damage, maintain business continuity, and coordinate information flows. The headquarters organization confirmed the well-being of all employees in the Tohoku and Kanto regions through the safety confirmation system* and directly traced some individuals. In the Tokyo area, approximately 600 employees were unable to return to their homes. Emergency measures were implemented, including the distribution of stockpiled emergency food and other requirements.

*Under this system, all employees are asked to register multiple means of communication, including mobile telephones, web mail and landline telephones. The system aggregates information about the safety and whereabouts of employees using information obtained through these modes of communication.

March 14,
2011 –

Responding to Various Situations

On March 14, construction contractors began to inspect buildings at the Shirakawa Plant, where there was substantial damage. Units responsible for the supply of parts to affiliated companies and repair and service divisions resumed operations on March 16.

Steps were also taken to secure logistics channels to manufacturing sites and sales offices in the disaster area, and to provide relief supplies to employees at business sites in the Shirakawa and Sendai areas. Other measures included the introduction of flexible working arrangements in areas affected by planned power outages.

The central response headquarters formed a health management working group, including industrial medicine specialists and Olympus experts, to safeguard the safety and health of employees from the effects of radiation leaking from the nuclear power station in Fukushima.

The Future: Strengthening Our Business Continuity Systems

Changes to Business Continuity Plans

As a result of business continuity planning over several years, we were able to minimize damage to buildings and facilities. However, as we worked to repair the damage caused by the disaster, we became concerned about the impact of disruptions to deliveries from suppliers, and about the concentration of our manufacturing sites. We will use the disaster as an opportunity to respond to these new issues by taking steps to ensure continuing access to supplies needed for critical operations, and by modifying our production sites to facilitate a rapid return to operations even if facilities are affected by disasters. We will also modify our BCP to encompass additional safety measures for core systems and other vital infrastructure, and also to cover logistics and product storage.

Strengthening Disaster Prevention Measures

We will rewrite our disaster prevention manuals to reflect experiences gained through our response to the recent earthquake. We will also revise our disaster stockpiling standards and redistribute stockpiles after first clarifying management methods.

Modifications to buildings will be undertaken after a review of response performance and anti-seismic levels at each facility. We will also check countermeasures designed to prevent equipment from toppling.

Our system for checking the safety and whereabouts of employees will be reviewed to reflect issues that were identified, including the need to check the safety of employees' families, who are not covered by the existing systems. We will also provide continuing education and training to ensure that employees are able to act in accordance with predetermined response procedures when disasters occur.

Key Effects of the Disaster

We were very concerned at the inconvenience experienced by our customers after our manufacturing and service operations were suspended. However, we sought to minimize the impact by providing information updates at regular intervals. Our output was lower in the first half of fiscal 2011 but is expected to recover in the second half of the year. We will continue to do our utmost to meet the needs of our customers.

Human Losses

We regularly implement drills relating to employee safety, systems to confirm employee safety and whereabouts, and our business continuity plan (BCP). At all Olympus business sites throughout Japan, including the Shirakawa Plant Aizu Olympus in Fukushima Prefecture and Aomori Olympus in Aomori Prefecture, only one employee suffered a minor injury. However, there were fatalities among members of employees' families. We wish to offer our sincere condolences and prayers.

Damage to Facilities

There was partial damage to office buildings in the Sendai area. However, there was no interruption to services, including our capacity to respond to customer inquiries. Seven mobile phone shops in the ITX Group were damaged and subsequently closed. Damage to production facilities was especially severe at the Shirakawa Plant. Both buildings and infrastructure, including water and gas pipes and electrical systems, were affected. However, the value of ongoing disaster-prevention efforts was proven by the fact that only one manufacturing facility was destroyed.



Quake soil liquefaction damage in the parking lot at the Shirakawa Plant



A collapsed ceiling at the Shirakawa Plant

April 11,
2011 —

Full Operations Resumed One Month after the Disaster

Repairs to buildings and infrastructure at the Shirakawa Plant were completed, allowing the resumption of full operations. Service divisions became fully operational on April 4 and production lines were progressively reinstated from April 5 onwards. By April 11, all operations had been fully restored.

In addition to the earthquake, it was necessary to cope with the effects of scheduled power cuts. Continuing interruptions to flows of parts and other items from suppliers became a major business continuity challenge. Procurement coordination units and production units cooperated to avoid the use of items affected by delivery items. This was achieved by replacing outsourced parts with items produced in-house, by using equivalent alternative items, or by modifying designs. By the end of April, the resumption of full production operations was in sight.

May 13,
2011 —

From Disaster Recovery to Business Continuity

Two months after the earthquake, Olympus was on track to the resumption of full production operations. After a review of actions since the earthquake, responsibility for disaster response initiatives was transferred from the central response headquarters to individual units.

New business continuity issues were identified as a result of the March earthquake. We will continue to strengthen our business continuity planning, which we regard as a corporate social responsibility, while always giving first priority to the safety and health of our employees.

Meeting Electricity Requirements

As a company involved in the healthcare business, we have a responsibility to ensure the continuity of our business operations. We also have a responsibility to conserve electric power. Our target for the Tokyo and Tohoku regions is to reduce electricity consumption by at least 15% through additional conservation measures.

A range of initiatives will be implemented across the entire Olympus Group. Shifting the public holidays to extend the summer vacation period, the early implementation of the "Cool Biz" program, the reducing of lights, and the reduction of the number of vending machines in use. There will also be initiatives based on local circumstances, such as changes to working formats, the use of in-house generators, and the reduction of electricity consumption in kitchens.



Reduced lighting in the cafeteria at the Research and Development Center in Hachioji (Ishikawa)

Recovery Support Activities

Olympus Group directors and employees supported recovery efforts in the area affected by the Great East Japan Earthquake by participating in voluntary work. Approximately 100 volunteers were sent to the disaster area between May 16 and June 17. These people provided support to disaster victims with the cooperation of the RQ Citizens Disaster Relief Network, which provides emotional support and carries out disaster relief activities. The Chairman and Executive Vice President of Olympus took part in this work.

On June 14 and 15, Olympus staged a "Wakuwaku Science Workshop" for 80 children from elementary and junior high schools in the disaster area.

The purpose of these programs is to inspire children with the excitement of science through experiments and other activities.

We will continue to provide assistance according to the ongoing situation and needs in the disaster area.



Relief work in the disaster area

Results of the Olympus Group's Main Social and Environmental Activities in Fiscal 2010

The Olympus Group undertook a wide range of social and environmental activities in fiscal 2010. The results of these initiatives will be reflected in our medium-term Corporate Strategic Plan (10CSP), and in future initiatives.

Corporate Governance and CSR Management

See Pp. 7-8 for details, etc.

Priority Measures	Targets	Results	Future Efforts
Promotion and reinforcement of CSR by CSR Committee	<ul style="list-style-type: none"> ● Establishment of CSR Committee 	<ul style="list-style-type: none"> ● CSR Committee established in September to work toward the realization of the "Social IN" management philosophy, primarily through initiatives focusing on the non-financial aspects of the Corporate Conduct Charter 	<ul style="list-style-type: none"> ● Reinforcement of initiatives based on medium/long-term strategies through the activities of the CSR Committee
	<ul style="list-style-type: none"> ● Establishment of promotion committees 	<ul style="list-style-type: none"> ● Establishment of six promotion committees (Compliance Promotion Committee, CSR Procurement Promotion Committee, Social Contribution Promotion Committee, Risk Management Promotion Committee, Information Security Promotion Committee, Safety & Health and Ethical Conduct Promotion Committee) ● Establishment of key performance indicators (KPI) for promotion committees 	<ul style="list-style-type: none"> ● KPI assessment of activities of promotion committees, acceleration and expansion of activities

For Customers

See Pp. 29-35 for details, etc.

Priority Measures	Targets	Results	Future Efforts
Service innovation based on VOC management	<ul style="list-style-type: none"> ● Development and administration of systems to utilize direct customer input at the organizational level 	<ul style="list-style-type: none"> ● Administration of management systems to use "voice of customer" (VOC) information in key business segments ● Fostering customer-focused culture through expanded seniority-based customer satisfaction (CS) education programs 	<ul style="list-style-type: none"> ● Continuing improvement of mechanisms to ensure reliable VOC feedback and its effective utilization as the product planning and development stages ● Increased emphasis on usability and safety in product development, improvement of customer satisfaction

For Suppliers

See Pp. 36-37 for details, etc.

Priority Measures	Targets	Results	Future Efforts
Self-assessment survey of suppliers in Japan concerning CSR initiatives	<ul style="list-style-type: none"> ● Response rate of 85% or higher in Japan 	<ul style="list-style-type: none"> ● 92% response rate in Japan 	<ul style="list-style-type: none"> ● Progressive expansion of CSR self-assessment survey in other regions as well as in Japan
Reinforcement of CSR initiatives by suppliers	<ul style="list-style-type: none"> ● To deepen understanding of CSR-based procurement among major suppliers and encourage initiatives 	<ul style="list-style-type: none"> ● Dissemination of information about CSR promotion at procurement policy briefing for suppliers 	<ul style="list-style-type: none"> ● Continuing dissemination of CSR promotion information to suppliers
Consistent application of CSR-based procurement policy	<ul style="list-style-type: none"> ● Updating of CSR needs data to reflect social needs 	<ul style="list-style-type: none"> ● Addition of green procurement to procurement policy, amendment of "Request to Suppliers" to reflect the supply chain CSR promotion guidebook of the Japan Electronics and Information Technology Industries Association (JEITA) 	<ul style="list-style-type: none"> ● Updating of CSR procurement policy to reflect social needs
Monitoring of CSR-based procurement	<ul style="list-style-type: none"> ● Commencement of on-site checking of CSR initiatives by suppliers 	<ul style="list-style-type: none"> ● On-site confirmation of CSR compliance by suppliers in Japan and overseas 	<ul style="list-style-type: none"> ● Expansion of scope of on-site checking

For Employees and Their Families

See Pp. 38-41 for details, etc.

Priority Measures	Targets	Results	Future Efforts
Promotion of employee growth	<ul style="list-style-type: none"> Promotion of increased take-up of the MBO-S* target management and assessment system introduced in fiscal 2009 with the aim of fostering the personal growth of individual employees, from the perspectives of independence, challenging roles and medium/long-term vision 	<ul style="list-style-type: none"> Administration of the system improved through seminars for department/division managers and e-learning programs for all employees Survey results confirming the consolidation of awareness of the importance of taking a proactive approach to the performance of work 	<ul style="list-style-type: none"> Implementation of educational measures to support the improvement of employees' English language skills, leading to the reinforcement of their global communication skills as required under the skill development guidelines (employee development policy) Reform of assessment and employment conditions to reflect employees' contributions and growth appropriately
Support for diversity (friendly workplace environments)	<ul style="list-style-type: none"> Development of friendly working environments that provide full scope for employee diversity 	<ul style="list-style-type: none"> Active commitment to global utilization of human resources, increased efforts to provide opportunities to achieve full potential Introduction of in-house awareness programs and childcare support systems that surpass statutory requirements with the aim of reducing the number of women leaving employment Initiatives to improve working environments for people with disabilities, including modifications to make facilities barrier-free, and reflection of employees' wishes in decisions about working locations and working hours 	<ul style="list-style-type: none"> Reform of employment conditions from a global perspective to facilitate the global utilization of human resources Expansion of work options to provide growth and skill utilization opportunities for employees who are motivated to raise children while working Improvement of working environments with the aim of increasing the percentage of workers with disabilities to 2%
Health promotion	<ul style="list-style-type: none"> To support health promotion for employees and their families through mental and physical health promotion plans 	<ul style="list-style-type: none"> Improved guidance on specified health checks and health insurance for employees and their families, promotion of colorectal cancer checks, gynecological health checks and walking campaigns Provision of health promotion information to employees through the promotion of diet improvement and exercise, mental health seminars and other initiatives 	<ul style="list-style-type: none"> Use of health statistics, including health check results, to prevent diseases from occurring and existing conditions from worsening Plans for seminars to raise health awareness among young people Improvement of mental health education for employees and executives

*MBO-S stands for "Management by Objectives and Self-Control." The aim of the system is to combine enhanced progress toward the achievement of organizational goals with human resource development by breaking organizational goals down into individual goals that are subject to thorough self-management.

For Society

See Pp. 42-45 for details, etc.

Priority Measures	Targets	Results	Future Efforts
Building good relationships with society	<ul style="list-style-type: none"> Implementation of social contribution activities based on corporate philosophy 	<ul style="list-style-type: none"> Sponsorship of photo contest calling for the achievement of the Millennium Development Goals, in collaboration with the United Nations Development Programme (UNDP) Introduction of Table for Two program in employee cafeterias and vending machines Co-sponsorship Natural Science Observation Contest Colorectal cancer eradication campaign in collaboration with Brave Circle Steering Committee (nonprofit organization) and government agencies Support for campaign to designate the 4th Sunday in July as "Parent and Child Day." Co-sponsorship of half-year overseas (throughout Asia) photo-fieldwork program for students who aim to become news photographers Regional social contribution activities based on regional characteristics 	<ul style="list-style-type: none"> Continuation of social contribution activities

For the Environment

See Pp. 46-60 for details, etc.

Priority Measures	Targets	Results	Future Efforts
Reinforcement of environmental management systems	<ul style="list-style-type: none"> Reinforcement of environmental risk preparedness systems Promotion of biodiversity conservation 	<ul style="list-style-type: none"> Environmental assessments conducted in conjunction with quality and labor management assessments of factories in Japan and overseas by senior management Assessment of relationship between business activities and biodiversity 	<ul style="list-style-type: none"> Establishment of global-level environmental governance systems Formulation of biodiversity conservation plan
Provision of environmentally-conscious products and services	<ul style="list-style-type: none"> Expanded creation of Olympus Eco-Products 	<ul style="list-style-type: none"> Creation of 63 Olympus Eco-Products (cumulative total: 349), raising percentage of total product sales to 55% Super Eco-Products system launched, seven imaging products and OEM products designated 	<ul style="list-style-type: none"> Creation of Olympus Super Eco-Products in all product categories
Reduction of environmental burden relating to business activities	<ul style="list-style-type: none"> 20% reduction in manufacturing-related CO₂ emissions by fiscal 2014 (from fiscal 2007 level) 20% reduction in waste emissions by fiscal 2014 (from fiscal 2007 level) 	<ul style="list-style-type: none"> 16% reduction in manufacturing-related CO₂ emissions compared with fiscal 2007 level 20% reduction in waste emissions compared with fiscal 2007 level 	<ul style="list-style-type: none"> Reduction of manufacturing-related environmental footprints through improved operating efficiency and development of manufacturing-technologies
Improvement of environmental communication	<ul style="list-style-type: none"> Promotion of information about environmental initiatives to stakeholders Expansion of environmental contribution activities 	<ul style="list-style-type: none"> Distribution of information through Corporate Social Responsibility Report and websites Implementation of tree-planting programs, no-car days and other initiatives 	<ul style="list-style-type: none"> Continuing distribution of environmental-related information Development of regionally focused environmental contribution activities

For Customers

Quality Assurance System

Olympus creates value by working from the customer's perspective to provide satisfaction through its products and services. Group-wide quality assurance activities play an essential part in our efforts to provide products and services that will earn the confidence and trust of our customers.

Quality Philosophy

The Olympus Group puts its quality philosophy into practice through quality assurance programs, and through initiatives to ensure that all employees consistently approach their manufacturing and service tasks from the customer's perspective.

Quality Philosophy

1. Realization of genuinely world-class "Total Quality" in all aspects of the organization.
2. Provision of the highest quality products and services to customers.

Core Principles

- (1) All actions to reflect a customer-oriented approach.
- (2) Develop "Win-Win" relationships with all partners.
- (3) Be disciplined in following the appropriate procedures and, in day-to-day operations, continuously strive for improvement, avoiding complacency.

Top Review

Since 1995, the President and the directors responsible for each business area have regularly visited Olympus sites to check that management systems are functioning properly, that policies and standards are being complied with, and that the Olympus Group's quality philosophy is being fully implemented. Since 2008, we expanded the scope of these inspections to include environmental and occupational health and safety perspectives. In addition to business sites in Japan, the inspections also cover overseas sites. Since directives for remedial measures are issued whenever aspects requiring improvement are identified, this process drives continual improvement in our business operations.



Then President visited sites in Japan (left) and overseas (right) as part of the senior management inspection program.

Quality-Related Organizational Structures

To ensure that customers can use our products and services with confidence, we have developed quality assurance systems to meet the specific needs of our various business segments. We are constantly working to maintain and improve quality at all stages from development through to production, sales and repair services.

Linking all business segments is the Corporate Quality Assurance Department, which assesses the quality management activities of each business unit and reports its findings to the President.

■ Results of Top Review in Fiscal 2010

Date	Segment	Site
August 2010	Life Science and Industrial	Olympus NDT Inc. (Canada)
October 2010	Medical Systems	Aomori Olympus Co., Ltd. (Aomori, Japan)
November 2010	Group Management Office	Olympus Vietnam Co., Ltd. (Viet Nam)
February 2011	Life Science and Industrial	Research and Development Center (Tokyo, Japan)
February 2011	Imaging Systems	Research and Development Center (Tokyo, Japan)

■ Summary of FY 2010 Results

Primary Measures	Targets	Results	Future Efforts
Service innovation based on VOC management	<ul style="list-style-type: none"> ● Development and administration of systems to utilize direct customer input at the organizational level 	<ul style="list-style-type: none"> ● Administration of management systems to use voice of customer (VOC) information in key business segments ● Fostering customer-focused culture through the continuation of seniority-based customer satisfaction (CS) education programs 	<ul style="list-style-type: none"> ● Continuing improvement of mechanisms to ensure reliable VOC feedback and its effective utilization at the product planning and development stages ● Increased emphasis on usability and safety in product development, and improvement of customer satisfaction

For Customers

VOC Activities—Corporate Culture and Case Studies

We monitor user wishes and views and by seeking input from customers who have actually used Olympus products. This customer input, together with information from marketing surveys, is applied to the development of our products.

Developing a Culture Based on Putting the Customer First

—In-House Customer Satisfaction (CS) and Voice of Customer (VOC) Education—

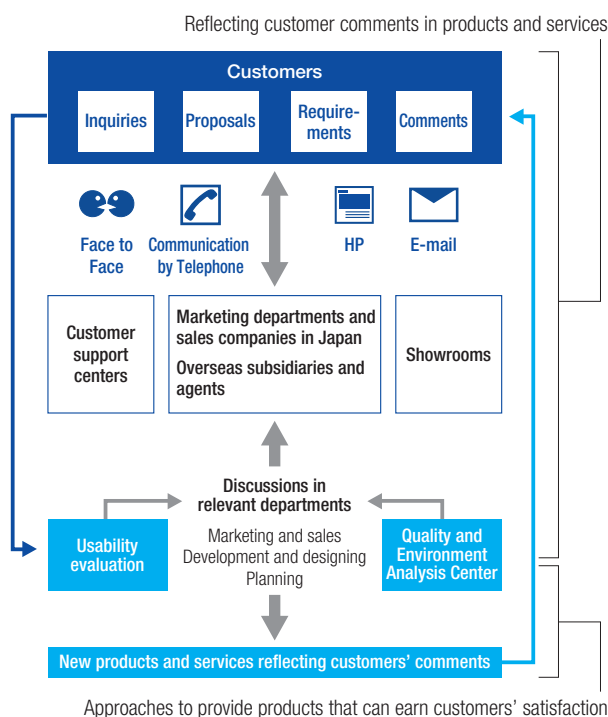
The Olympus Group places a high value on customer feedback through its Voice of Customer (VOC) program and aims to reflect that feedback in its products and services. The first step in that process is to instill the attitude of thinking from the customer's perspective in every individual employee. Young employees complete basic courses in customer satisfaction between their third and fifth years with Olympus. For management executives, there are courses in the use of VOC information in the implementation of CS policies.

Design and Manufacturing Reflecting Customers' Comments

Each business unit of the Olympus Group conducts voice of customer (VOC) activities that match its characteristics.

The business units hold regular conferences to share case studies and information about their activities. These meetings also provide opportunities for reciprocal benchmarking.

■ Design and Manufacturing Reflecting Customers' Comments



VOC Response Case Study 1:

“We want to be able to identify and analyze airborne asbestos by color in the same way as asbestos in building materials.”

→ Development of dispersion object lens for use in detection of asbestos in construction materials

Because airborne asbestos fibers are so minute, fiber sizes could only be measured using a phase-contrast microscope, and it was not possible to distinguish them from other fibers. Olympus produced a phase-contrast polarization microscope for use in asbestos detection by developing a new technology to combine the polarizing (dispersion) microscopy technique used to observe asbestos in construction materials with the phase-contrast technology used to observe airborne asbestos.



Phase-contrast polarization microscope for asbestos detection

VOC Response Case Study 2:

“We want displays that are easy to view, regardless of individual variations in color perception.”

→ Color Universal Design (CUD) obtained for all new digital camera products (all models and colors) launched in the spring of 2010, including the Olympus PEN Lite (Only in Japanese)

→ Our efforts for Color Universal Design

In response to this customer feedback, Olympus modified the icons and color scheme used in the LCD graphic display of a compact digital camera^{*1} launched in February 2008, creating a design that would be clear to most people, regardless of individual variations in color perception. This product became the first digital camera to achieve “Color Universal Design” certification^{*2}. Olympus obtained Color Universal Design (CUD) for all digital camera products (all models and colors) launched worldwide in the spring of 2010. Certification was also obtained for a new IC Recorder^{*3}.

*1 The μ 1020 and μ 850SW compact digital cameras were the first digital cameras to achieve Color Universal Design certification in Japan. (Only in Japanese)

*2 Third-party certification by non-profitable organization, the Color Universal Design Organization (CUDO)

*3 Voice-Trek DM-4/DS-800/DS-750/DS-700/V-82 (all colors)

For Customers

Development-Stage Initiatives: Assessing Product Safety

Olympus has established various quality assurance mechanisms based on international certification systems. These allow us to assess product quality accurately, ensure that customers can use our products with confidence, and achieve continuing improvement.

Ensuring Product Safety through Quality Evaluation at the Development Stage

Olympus is consistently applies the customer's perspective to its manufacturing and service activities. Quality evaluation at the development stage, which is the starting point for manufacturing, is especially important to the achievement of product quality. Various product evaluation methods are available, including electromagnetic compatibility (EMC) testing, safety testing, environmental testing and materials analysis.

Calibration

Calibration is a process used to maintain the accuracy of measuring instruments by ensuring that all components are functioning correctly. The precision of measuring instruments can vary from day to day in response to changes in environmental conditions. As an entity certified under the Japan Calibration Service System and the Measurement Law, Olympus carefully monitors errors caused by these changes and applies approved calibration methods to its measuring equipment.



Using three-dimensional measurement equipment

EMC and Safety Testing

A 10 m wave anechoic chamber built by Olympus in 2004 is one of the most advanced facilities of its type in the world. It has been certified for use in electromagnetic noise systems under the National Voluntary Laboratory Accreditation Program (NVLAP) of the United States and the Telefication organization of the Netherlands. It was also the first safety testing facility for electrical medical devices in Japan to be certified by the Japan Accreditation Board for Conformity Assessment (JAB) under ISO/IEC 17025:2005^{*1}, which is the international standard for the certification of testing facilities.

Olympus added another 10 m wave anechoic chamber in 2009, creating a testing system that complies with the latest standard for electro-medical devices (IEC 60601-1, 3rd Edition and supplementary rules). In addition to the continuing development of its facilities and systems, Olympus also maintains an active training program for assessment technicians, and several Olympus employees have become qualified as EMC iNARTE^{*2} technicians.

As a testing laboratory accredited under the internationally recognized ILAC-MRA system, this facility also conducts compliance evaluations for medical equipment under the IEC60601-1 standard.

*1 ISO/IEC17025 (2005): General requirements for the competence of testing and calibration laboratories

*2 EMC: Electro-Magnetic Compatibility
iNARTE: The International Association for Radio, Telecommunications and Electromagnetics



EMC testing in a 10 m wave anechoic chamber

Mechanical and Environmental Testing

Mechanical testing is used to evaluate product strength and life by assessing the impact of usage and storage conditions on quality, and by checking the effects of vibration and dropping during packaging, transportation, delivery and other processes. Environmental testing is carried out using a variety of systems and equipment. The aim is to assess products under the environmental conditions in which they are likely to be used by customers.



Packaging undergoes a dropping test.

Materials Analysis

In addition to the analysis and evaluation of parts and materials at the development stage, Olympus also uses various analytical systems to identify defects and other issues through detailed analyses carried out after products have been brought to market. Findings from these analyses are used to eliminate the causes of problems and prevent recurrences.

Olympus will continue to improve the safety of its products by enhancing the reliability of its evaluation systems.



Materials analytical laboratory

For Customers

Development-Stage Initiatives: Usability Assessment

To identify usability issues, all products are assessed from the customer's perspective to ensure that they are intuitive and easy to use.

Usability Assessment

To achieve its goal of providing products and services that can be used with confidence by as many people as possible, Olympus must ensure that every product can be used easily and intuitively. Before the commercialization stage, products are actually used by monitors to assess their usability and identify and rectify problems from the customer's perspective.



Assessing usability in a monitoring room

Usability Assessment Case Study

Live Guide Interface for Pen Series Digital Camera

Olympus developed the Live Guide interface for digital cameras to provide novice Pen series Digital Camera users with an easy and enjoyable way to capture photographs that would match their expectations without any knowledge of specialist photographic terminology. The concept is targeted specifically toward people who want a simple way to express their ideas in attractive photographs, but who find it difficult to achieve their photographic aims because of the complexity of camera controls and have hitherto been reluctant to use Pen series Digital Camera because of their unfamiliarity with arcane photographic terminology.

Starting at the development stage, we carried out usability assessments to verify the intuitiveness of the Live Guide interface for users, especially beginners. Monitors from within and outside of the Olympus organization operated simulations of actual control screens on computers in three phases: starting up the Live Guide interface, adjusting brightness, coloring, background blurring and other characteristics intuitively to match the photographer's image, and taking the photograph. The results of these tests were then used to ascertain whether the interface could be understood and operated naturally by beginners, and to identify and rectify any issues from this perspective.

The Live Guide interface was first used in the E-PL1 Pen series Digital Camera and has since been incorporated into other models of Pen series Digital Cameras and a part of compact cameras.

■ The Live Guide Interface



(1) Open Live Guide and select the icon for the item to be adjusted.



(2) Adjust the slider while observing the results on the LCD monitor.



(3) Press the shutter.

»WEB A Live Guide simulator can be found at the following address.

<http://olympus-imaging.jp/product/dslr/epl1/feature/liveguide/index.html>

VOICE

Comments from a Designer

“Our mission is to help beginners to express their ideas.”

When we developed the Live Guide interface, we tried to understand the feelings of people using Pen series Digital Camera for the first time, and to create a system that would allow them to express themselves through photographs with a few simple operations.

We reviewed conventional camera controls and carried out usability assessments. Basically we wanted to develop an interface that would help people to use the full potential of Pen series Digital Camera to express their photographic ideas, without the need to understand photographic terminology and specialized camera operations. We used input from the monitors to make the guidance content as clear as possible. Before we could launch the Live Guide with confidence, we also had to ensure that we had achieved the criteria set for the designers and developers by checking user reactions. Would beginners really want to use this system? Would it be intuitive, and would the system work as we had envisaged?

I believe that the Live Guide allows anyone to achieve their desired photographic expression. I look forward to creating more products and services that consumers can use with enhanced ease and enjoyment.



Tomomi Kaminaga
Consumer Group, Design Center
Olympus Imaging Corporation

For Customers

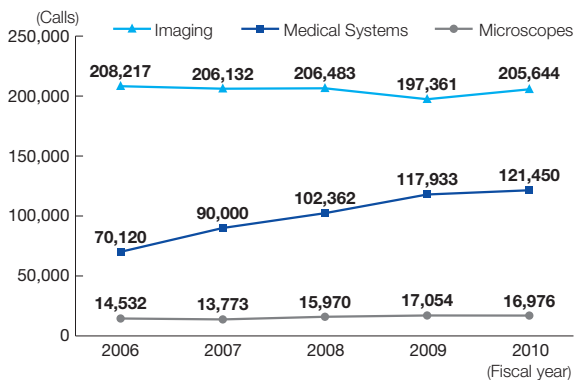
Customer Support: Responding to Customer Needs

One of the keys to customer satisfaction is the ability to respond promptly to inquiries and provide timely repair services on the rare occasions that faults occur. Olympus has developed systems to meet these needs and is continually improving its capabilities in this area.

Responding Quickly to Inquiries

The Olympus Group has established systems to provide customer support based on product characteristics. We are working with overseas subsidiaries and distributors to enhance our global inquiry and repair systems in each product category. These activities are always guided by our awareness of the customer's perspective. Our websites provide customers with clear information about points of contact in their regions for inquiries about their products.

■ Calls Received at Customer Support Centers



Words of Appreciation from Customers

Olympus receives numerous expressions of appreciation in response to its customer support activities.

<Case Studies>

- "I was looking for a particular accessory. It was not stocked by Olympus, but the Olympus staff found another supplier and gave me the contact details. That was very helpful."
- "When I telephoned about a problem, it was very encouraging to discover that the assistant was aware of a previous issue, even though it had been handled by someone else."
- From a junior high school teacher.... "My questions were about the operation of classroom microscopes. As a science teacher, I simply want my students to enjoy science. I'm sure my questions were very troublesome, but the Olympus staff provided clear and very helpful responses. I was very grateful."
- From an individual customer.... "I had a question about the use of an old-model microscope. I was hesitant to inquire, since the model had been out of production for many years, but Olympus was extremely helpful. Without a manual, the microscope would have been useless. I had received it as a gift, and apart from my desire to use it for study, I also wanted to teach my children to respect things, however old, that we receive through the kindness of others. The response from Olympus exceeded my expectations and will be an important lesson for my children."

Customer Response System in Japan in Each Product Field

Product Fields	Customer Response System
Medical Systems	<p>Development of a service system capable of providing highly credible and safe medical instruments that customers can use with confidence</p> <p>So that our customers can use our products safely and with confidence, we answer technical questions, for example, inquiries relating to the use of our products and procedures to follow in the event that malfunctions occur.</p> <p>Moreover, we have deployed teams of experts in cleaning medical instruments, sterilization and the use of high-frequency equipment, filing and IT technologies to answer various questions from users.</p> <p>We are also continually enhancing our capacity to respond to user problems in a timely and professional manner. When the need arises, for instance, field service personnel are dispatched immediately to solve problems in medical workplaces. Our call center is also open on Saturdays (9:00-15:00).</p>
Microscopes	<p>Customer Satisfaction Improvement Activities at Customer Support Centers</p> <p>Our staff listen carefully to customer comments. Even views expressed by a small minority of customers are fed back to development, production and marketing departments as part of efforts to meet customer expectations.</p> <p>Centralized Management of e-Mail Inquiries</p> <p>In addition to telephone-based assistance, advice centers also provide centralized management of e-mail inquiries to ensure that questions are resolved in an efficient and timely manner. We use all customer points of contact in our efforts to ensure customer satisfaction.</p> <p>Techno-Lab Microscope Seminars</p> <p>When customers make inquiries by telephone or via a website, they are informed about microscope seminars provided by Olympus for its customers. In FY 2010, we ran seven different courses, including a seminar on the preparation of beautiful fluorescent specimens. These events were extremely popular with participants. Three new courses will be added in FY 2011 as part of our continuing efforts to help customers learn about the effective use of microscopes and the fascinating world of microscopic observation.</p> <p>Olympus staff also visit classes on biology and clinical testing at universities and technical schools to provide on-site coaching. This program has been extremely popular with students.</p> <p>For details of the seminars, http://www.olympus.co.jp/jp/showroom/technolab/tokyo/plan.cfm</p>
Imaging	<p>Time-Based Assignment of Inquiry Response Personnel</p> <p>Olympus is ready to respond to customer inquiries on weekends and public holidays, as well as on normal business days. This service is available on any day except system maintenance days and the year-end/New Year period.</p> <p>Improving Customer Response Quality</p> <p>We are improving customer satisfaction by:</p> <ul style="list-style-type: none"> • improving the communication skills and product knowledge of telephone response staff, • providing product specific points of contact where customers can ask specialized questions about particular products, such as digital SLR cameras, • commissioning blind surveys by outside research organizations, in order to ascertain if customers are satisfied with our response quality, and to obtain information that can be used to improve customer satisfaction further.

For Customers

Customer Support: Repair System

To ensure user confidence in its products, Olympus has established a dedicated customer support website where users can obtain accurate information when problems arise. The website also provides important notices about products and services and accepts customer inquiries. We have a repair system that optimizes the time and cost of the repair service, depending on the area and product.

»WEB **Important notice** (Only in Japanese)
<http://www.olympus.co.jp/jp/info/qinfo.cfm>

»WEB **Customer support** (Only in Japanese)
<http://www.olympus.co.jp/jp/support/index3.cfm>

Medical Systems

From December 2005, the Medical Service Operation Center Shirakawa (SORC Shirakawa) started to serve as the main repair plant for endoscopes in Japan. Endoscope overhauls^{*1} are carried out in California, the United States, in Germany, France, the Czech Republic and the United Kingdom in Europe, and in Shanghai, China. A centralized repair service was established in Delhi, India, in April 2010. Relatively simple endoscope repairs and repairs to peripheral equipment are available through a worldwide network of 200 repair sites.

At SORC Shirakawa, integrated management of repairs and rental equipment ensures fast repair of malfunctioning products and minimizes downtime^{*2}. We have also set up a Customer Environment Replication Room, where we can efficiently identify the causes of failures by reconstructing problems on systems similar to those used by customers. We have further enhanced customer-based services by welcoming customers to our facilities and using our training equipment to provide workshops on how to handle products, including precautions.



SORC Shirakawa
(Fukushima, Japan)

*1 An overhaul involves the dismantling, inspection and repair of malfunctioning equipment.

*2 Downtime is the period during which operations are interrupted or equipment is idle. Normal services that meet customers' expectations cannot be provided to them during downtime.

»WEB **Repair services and other support for Olympus medical, life science and industrial products affected by the Great East Japan Earthquake**
<http://www.olympus.co.jp/jp/info/2011a/if110314supportj.cfm>

Microscopes

Return-to-Base Repair Services for Microscopes

Return-to-base repair services are provided for small equipment that is relatively easy to transport, or for items requiring major repairs or dismantling for inspection and repairs.



Repair Center
(Nagano, Japan)

»WEB **Return-to-base repair services** (Only in Japanese)
<http://www.olympus.co.jp/jp/support/ind-micro/service/detail/leave.cfm>

Reducing Repair Times

We aim to provide customer satisfaction by minimizing the time that equipment is held for repairs. Even with equipment that has been used for many years, we strive to return repaired products within one month and by the desired date. We will continue our efforts to improve customer satisfaction by further reducing repair times and enhancing our after-sales services.

On-Site Repair Services for Microscopes^{*3}

Technical staff specializing in microscopes are based in Tokyo and Osaka to provide on-site services, including maintenance inspections, calibration, repairs and relocation.

*3 By registering as a CS-Net member, customers gain access to a dedicated website through which they can make inquiries and request service.

»WEB **Services for members with biological microscopes** (Only in Japanese)
<http://www.olympus.co.jp/jp/support/bio-micro/service/member/index.cfm>

»WEB **Services for members with industrial microscopes** (Only in Japanese)
<http://www.olympus.co.jp/jp/support/ind-micro/service/member/index.cfm>

»WEB **Advice about the handling of microscope products during scheduled power outages following the Great East Japan Earthquake** (Only in Japanese)
<http://www.olympus.co.jp/jp/info/2011a/if110318microscopej.cfm>

For Customers

Customer Support: Repair System

Industrial Videoscopes

IPLEX Series videoscopes and other videoscopes and fiberscopes that require repairs are returned to repair centers located at the respective manufacturing facilities. Because repairs are carried out under the same conditions that exist on production lines, Olympus is able to ensure that repaired products meet the same quality standards as newly manufactured products. Operating efficiency and access to parts are also the same as on production lines. This means that repairs can be completed within three weeks of accepting products for repair at sales outlets.

To reduce customers' lifecycle costs while providing optimal support, Olympus offers maintenance contracts for its IPLEX Series products.

The Olympus commitment to customer satisfaction is also reflected in our continuing efforts to improve the quality and speed of our repair services while reducing costs.

»WEB **About repair services**
<http://www.olympus-ims.com/en/service-and-support/service-centers/>

Imaging Products

In Japan, digital cameras and IC recorders are repaired at the Hachioji Repair Center and four service stations nationwide. In Europe, repair services are provided at central locations in Portugal, the Czech Republic and Russia.

Enhancing Convenience

In addition to repair services provided through retailers or service stations, Olympus also offers a repair pick-up service, whereby items requiring repair are collected from the customer's location. There is also an on-line repair booking system, which allows customers to request repairs and check charges via the Internet. In December 2010, Olympus simplified its repair charges by introducing a flat-rate system* for repairs to compact digital cameras returned to Olympus bases.

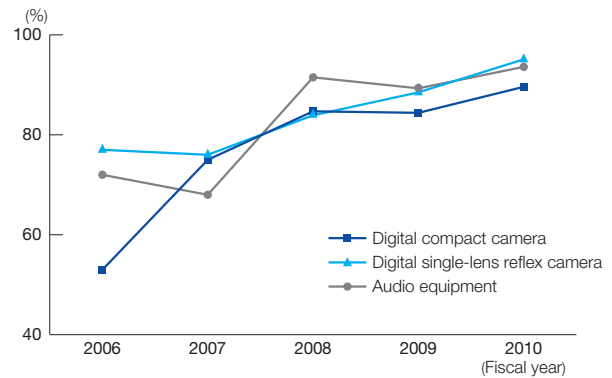
* Repair services are covered by a single charge that includes both technical services and parts (excluding consumables and accessories).

Improving the On-Time Rate for Back-to-Base Repairs

One of our target indicators for customer satisfaction is the on-time rate for back-to-base repairs. We are continually working to improve this rate through initiatives that include a review of service procedures during busy periods.

In July 2010, we further reduced the time required for back-to-base repairs by introducing a "Quick Repair Service" for micro SLR cameras and exchangeable lenses. To reduce the anxiety of customers waiting for repairs, we have also established systems that allow customers using the pick-up service and on-line repair booking service to check the progress of work on the Internet or from mobile phones.

■ Percentage of Repairs Completed within the Allotted Time



For Suppliers

Putting the CSR Procurement Policy into Practice—

Establishment and Activities of the CSR Procurement Promotion Organization

Olympus works closely with its suppliers to achieve reciprocal improvement in corporate value through the implementation of CSR initiatives across entire supply chains. Specifically, we have strengthened our partnerships with suppliers by making regulatory compliance, respect for human rights and the environment, and fair and open dealing basic requirements for all transactions.

The Olympus Group's Procurement Policy

The Olympus Group's Procurement Policy

The Olympus Group manufactures a wide range of products, including cameras, medical endoscopes, microscopes and non-destructive testing equipment. Through its various business units, it procures the materials and parts needed to make these products from approximately 1,300 suppliers in Japan and overseas.

Our procurement policy is based on the Olympus Group's "Social IN" management philosophy. Adopted in 2005, the policy applies to all procurement activities throughout the Olympus Group. The core values guiding the Olympus Group's procurement activities are expressed in the Green Procurement Standards, which were amended in fiscal 2010. These standards now form the basic framework for our CSR procurement activities.

The Olympus Group's Procurement Policy (Extract)

1. Compliance with Laws, Regulations, and Social Norms
2. Green Procurement and Consideration for the Environment
3. Promotion of Fair and Impartial Trade
4. Selection of Suppliers
5. Reinforcement of Partnership with Suppliers
6. Prohibition of Acceptance of Private Interests

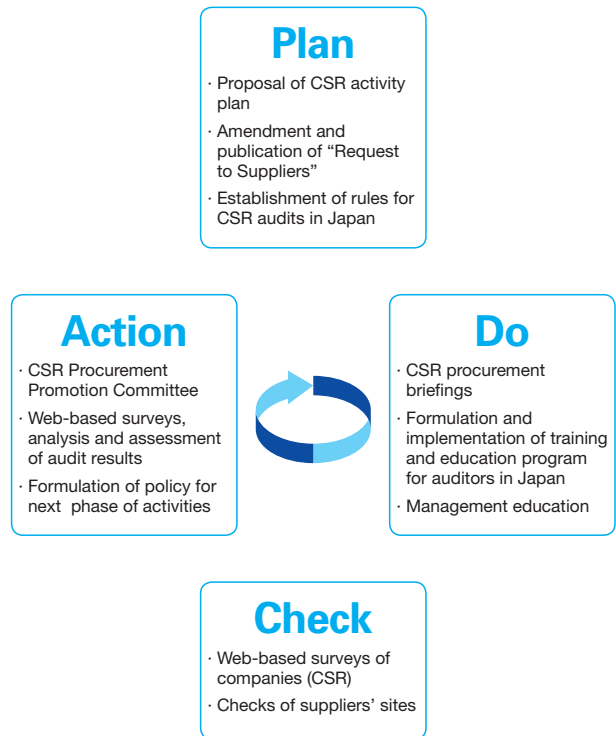
»WEB **The Olympus Group's Procurement Policy**
<http://www.olympus-global.com/en/corc/procurement/policy/>

Putting CSR Procurement into Practice

Only by applying the PDCA cycle to all aspects of supply chains is it possible to implement and consolidate CSR procurement. The Olympus Group has strengthened its initiatives in phases, starting in fiscal 2010, through activities that include briefings for suppliers, in-house education, website-based surveys, CSR audits of suppliers in Japan and overseas, and activity reviews.

Particular priority has been given to the identification and resolution of specific issues at suppliers' business sites. Through this process, Olympus is maintaining an upward spiral in its CSR procurement activities.

■ PDCA Cycle for CSR Procurement



For Suppliers

Putting the CSR Procurement Policy into Practice

Putting CSR Procurement into Practice through PDCA Activities

Plan Review of Procurement Policies

A review of the Olympus Group's procurement policies was followed by an update of the "Request to Suppliers," which defines the Olympus Group's requirements for suppliers. The Olympus Group procures materials and parts from many countries. Our global CSR procurement activities are based on the Supply Chain CSR Promotion Guidebook of the Japan Electronics and Information Technology Industries Association (JEITA). In May 2011, English and Chinese versions of the "Request to Suppliers" were compiled and placed on our website.

Do Briefings for Suppliers and In-House Education

Each year business units hold procurement policy briefings for suppliers. At these meetings, the Corporate Social Responsibility Division and procurement divisions work collaboratively to build understanding about the Olympus Group's approach to CSR procurement by informing suppliers about key aspects of the CSR procurement policy. We plan further initiatives to consolidate the CSR procurement approach in our supply chains, including the creation of further opportunities for dialog with suppliers about more specific aspects.



Staff explains the CSR procurement policy at a procurement policy briefing run by Olympus Medical Systems Corporation.

The Olympus Group also recognizes the need to ensure that those working in procurement divisions, which are its interfaces with suppliers, are fully informed about CSR procurement. Since fiscal 2011, CSR procurement training has been provided for management-level staff in procurement divisions.

Check & Action Self-Assessment Surveys and CSR Audits

Since fiscal 2006, we have conducted annual self-assessment surveys of our suppliers. The purpose of these surveys, which are conducted through our website, is to obtain information about the CSR efforts of suppliers, including business continuity planning (BCP) and environmental initiatives. Feedback on the results of the surveys is provided through procurement policy briefings and other channels, and suppliers are asked to make improvements.

In fiscal 2010, we took these activities to a new level by conducting CSR audits with the cooperation of some of our major suppliers. The audits, which centered on regulatory compliance, also covered such aspects as human rights, labor, safety and health, and the environment. This was the first initiative of its type by the Olympus Group. We gained valuable experience, and we are now moving forward into a new phase.

We have also established a new CSR Procurement Promotion Committee with members drawn from the Corporate Social Responsibility Division and divisions responsible for quality control, environmental protection and procurement. The role of this committee will include the formulation of CSR procurement activity policies for the Olympus Group, activity reviews, and information sharing. It will promote CSR procurement across all of the Olympus Group's supply chains and provide leadership for future initiatives.

Request to Suppliers (Extract)

1. Compliance with Laws, Regulations, and Social Norms
2. Health & Safety
3. Fair and Impartial Trade
4. Ensuring Quality and Safety, Delivery, Fair Pricing, and Stable Supply
5. Environmental Considerations
6. Ensuring Information Security and the Appropriate Protection of Information
7. Promoting Social Contributions
8. Promoting CSR Activities Internally and Among Suppliers

»WEB Request to Suppliers

<http://www.olympus-global.com/en/corc/procurement/supply/>

VOICE

Comment
from an
Employee

We are working with suppliers to put "Social IN" into practice through on-site audits.

For many years, the Olympus Group has been manufacturing cameras and digital recorders in China. Many of the parts needed for these products are procured from local suppliers. As part of our efforts to implement our "Social IN" management philosophy through our procurement activities, we recently conducted our first on-site audits of suppliers. These audits represent an important new step forward for Olympus. We will continue to work with suppliers to contribute to society through our business activities.



Kenichi Kishida
Divisional Manager
Olympus Hong Kong and China Ltd.

For Employees and Their Families

Respect human rights and create working environments that help our employees achieve great job satisfaction

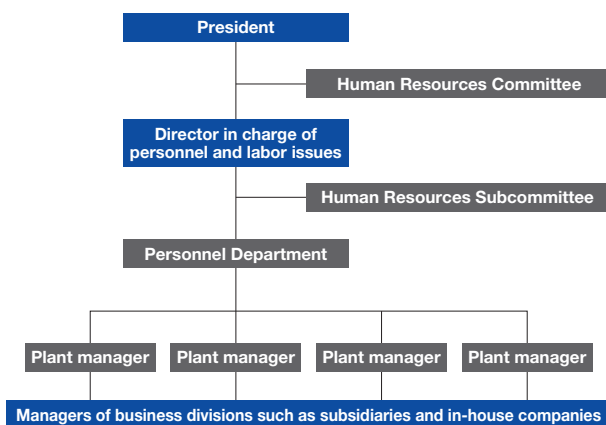
Employees are the most vital and valuable asset for the Olympus Group. We aim to provide the best possible working environments for our employees by respecting human rights and providing attractive work opportunities that contribute to enhanced personal and corporate growth. We ensure that working environments are safe and pleasant by complying with all local laws and regulations and by implementing measures and initiatives that reflect the characteristics of individual overseas subsidiaries.

Human Rights and Labor Policy and the Global Compact

Respect for Human Rights Officially Stated As One of Our Basic Principles

For years, Olympus has been actively engaged in creating a working environment where every employee can realize his or her full potential. According to the personnel management principles contained in the Social IN management philosophy, respect for human rights, diverse values and the individual help to develop human resources and maintain an organization with vitality. In October 2004, Olympus joined the UN Global Compact by officially stating its determination to support and implement the universal principles regarding human rights and labor. In March 2005, the new Olympus Human Rights and Labor Policy was formulated for group-wide implementation to send a strong message of respect for human rights to all employees in the Group. In December 2005, Olympus released the Olympus Group Procurement Policy, in which we ask our suppliers to cooperate in respecting human rights.

Organization of Personnel and Labor Issues



*Regarding personnel and labor issues, the president is the chief executive, while the director in charge of personnel and labor issues supervises individual activities. Since, in some cases, several subsidiaries and in-house companies are located in one plant, each plant has its own plant manager to ensure the thorough implementation of policies and measures concerning personnel and labor issues at each plant.

Facilitating Employee Skill Development

Skill Development System

● Olympus College

Olympus recognizes that the most important resource for a global value-creating enterprise is its people. Our concept, which emphasizes respect for the individual, calls for the development of professionals with the ability to adapt quickly to change in the business environment. We have established the Olympus College as an internal education structure for this purpose.

Corporate value is also the sum of the value of individuals. Olympus wants each individual to be committed to the improvement of his or her own value, and to continuous self-improvement efforts guided by an awareness of market value as recognized by society. To achieve this, it encourages employees to make active use of learning opportunities by providing a wide range of practical courses through which they can acquire basic knowledge and link that knowledge to tangible results.

The Olympus College offers over 250 courses centering on management training, business training, technical training and global training. Employees can take courses that reflect their own needs.

Employees normally enroll in courses after consulting with their supervisors about their preferences. However, supervisors also encourage employees to take certain courses.

● Advanced Technician/Engineer Incentive System

Olympus has set up an advanced technician/engineer incentive system to ensure improvements in and the inheritance of the technical and practical skills of its technicians and engineers. The level of individual employees is generally evaluated using the Technical Level Evaluation Table. Employees, once judged qualified, will be awarded the special title of Advanced Technician/Engineer and given a bonus. As of April 2011, 114 qualified technicians/engineers were at work.

»WEB **Olympus Human Rights and Labor Policy**
<http://www.olympus-global.com/en/corc/csr/workplace/policy/policy.html>

»WEB **Olympus Group Procurement Policy**
<http://www.olympus-global.com/en/corc/procurement/policy/>

For Employees and Their Families

Respect human rights and create working environments that help our employees achieve great job satisfaction

Safety and Health

Occupational Safety and Health Management

● Group Safety & Health and Ethical Conduct Promotion Committee

To promote occupational safety and health, Olympus aims to create workplaces where each and every employee can work, free from anxiety. Specifically, at each Olympus plant, the Occupational Safety and Health Committee plays a leading role in conducting various programs to eliminate occupational hazards and enhance occupational health, including safety and health risk assessment, periodic patrols and traffic safety guidance. Moreover, the Group Occupational Safety & Health and Ethical Conduct Promotion Committee that also includes affiliated companies was established. This Committee serves as a place for the Group companies to share their programs, the causes of disasters and the measures taken, and to work together to prevent reoccurrence. The Committee also promotes safety and health activities throughout the Olympus Group.

■ Number of Occupational Accidents

(Number of cases)

Item	Work-related accidents resulting in lost work time	Work-related accidents not resulting in lost work time	Total
FY 2005	5	14	19
FY 2006	8	12	20
FY 2007	6	15	21
FY 2008	5	20	25
FY 2009	2	17	19
FY 2010	5	11	16

● Physical and Mental Health Consultation

To promote the better mental and physical health of our employees, doctors, health workers and nurses employed by Olympus provide, after regular medical checkups, subsequent health advice, medical examinations and interviews to prevent health problems stemming from overwork, as well as private health counseling sessions. An external health consultation service is also provided to offer employees free advice on health care and other matters by telephone. In the area of mental health, Olympus maintains its own counseling programs, and has also further facilitated its employees' access to advice by forming tie-ups with outside medical institutions. As its return-to-work support for its employees, Olympus provides education and training programs for self-care and line care (employee care provided by managers).

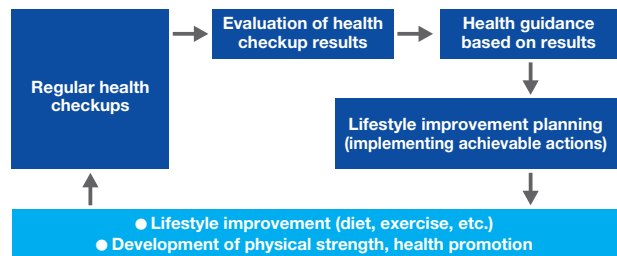
Health Promotion Activities

Health Promotion Activities

● Fulfilling Work, Enriched Lives and Good Health for Employees and Their Families

Employees cannot gain fulfillment through their work or enjoy enriched lives unless they and their families are in good health. While recognizing that self-management by the individual is the most basic requirement for good health, Olympus and the health insurance association cooperate to help employees improve their health, enjoy peace of mind and lead fulfilling lives by offering a full range of health check options, creating an environment for lifestyle improvement, and providing access to mental health advice.

■ Health Promotion Cycle for Lifestyle Improvement



● Mental and Physical Health

In addition to regular health checkups, Olympus encourages employees to monitor their health status by receiving tests for cancer including stomach, colorectal, lung, breast, uterine and prostate cancer, as well as comprehensive medical examinations, brain scans and dental examinations. We also work to increase participation rates for cancer examinations.

The health insurance association pays almost 100% of the cost of cancer examinations for employees, while their dependent family members can receive the examinations by paying only a small share of the cost.

Olympus also offers extensive mental health support. In addition to in-house advice systems, employees and their families also have access to free consultation services at locations throughout Japan.

● Campaign to Eradicate Colorectal Cancer

With the aim of eradicating colorectal cancer, Olympus has been promoting endoscopic colorectal examinations since fiscal 2007, as well as fecal occult blood tests. These examinations have been available to employees aged 40 and older since fiscal 2008, and in fiscal 2009, the eligibility was extended to employees aged 35 and older. In fiscal 2010, 1,400 employees had the examinations. This campaign has contributed to early detection of the disease.

For Employees and Their Families

Respect human rights and create working environments that help our employees achieve great job satisfaction

Creating Energized Working Environments

Helping Employees Enjoy Their Work and Home Lives

Olympus believes that it is important for its employees to work actively toward ambitious goals while also living a full life at home and in society. To support this, we have established a variety of work arrangements and welfare systems through negotiations with employees and the labor union. Some of the major arrangements available in Japan are as follows.

Welfare Cafeteria Plan

This system was established to meet the increasingly diverse needs of employees. Employees are allocated points each year and are able to use those points to obtain cash payments by selecting from a menu of welfare options according to their specific objectives. The scheme was designed to create a healthy workplace in which employees can work with confidence, and to support skill development. Menu options include self-improvement assistance, subsidies for medical expenses, childcare support, lifestyle support and leisure assistance. To provide additional support to employees who require assistance or show particular enthusiasm for self-improvement, point units are doubled for priority activities, such as language studies, visits to relatives requiring care and bathing assistance, and for baby-sitting and daycare facility fees.

Refresh Plan and PLP Seminar

These systems are designed to reinvigorate long-service employees by providing them with opportunities to review their lives and renew their motivation for work. They are also intended as recognition for the long years of support provided by family members of long-service employees. Employees are eligible for special paid leave and bonuses after seven years and 20 years of continuous service. In addition, the Age 55 Pension Life Plan (PLP) Seminar is provided for employees nearing retirement age to help them plan their post-retirement lives. By participating in these seminars, held at a resort hotel, employees and their spouses can learn about and plan for life after retirement from three viewpoints: money, objectives, and health.

7th year of employment	Paid holidays: 5 days Bonus: 55,000 yen
20th year of employment	Paid holidays: 10 days Bonus: 330,000 yen
At the age of 55	Paid holidays: 5 days Participation in the PLP Seminar

Annual Paid Holidays

Employees apply for paid holidays and receive permission through an intranet-based procedure. They are encouraged to take paid holidays, and make necessary adjustments to their workload when applying for them.

No. of annual paid holidays (for full-time workers)	20 days a year, starting the first year of employment (for employees who join Olympus between April and June). Unused paid holidays can be carried over to the next year only.
Consecutive leave promotion scheme (Creative Holiday)	Employees are encouraged to take 5 consecutive leave days. (These can be combined with ordinary holidays.)
Expired annual paid holiday saving scheme (Special Sick Leave)	Saving of up to 50 days allowed for medical treatment and family care (paid holidays).

Enhancing Workplace Management

Newly appointed executives undergo training courses, during which they study guidelines and methods for enhancing the potential of the entire organization by exercising appropriate labor management and bringing out the full potential of each individual employee. The curriculum covers time management methods and safety requirements under labor laws and other basic rules for labor management including consideration for mental health.

Consultation Service for Victims of Sexual Harassment

Olympus has established a consultation service to deal with sexual harassment complaints. Any information disclosed to consultants is kept strictly confidential and cannot be disclosed to any other party (including the boss of the individual filing the complaint) without the consent of the individual. As one measure to raise awareness about sexual harassment, a Sexual Harassment Guidebook was created, which is available to all employees via the intranet.

For Employees and Their Families

Respect human rights and create working environments that help our employees achieve great job satisfaction

Diversity and Opportunity

Equal Employment Opportunity Regardless of Gender

To date 10 female employees have been appointed to managerial positions (section-chief or higher). Olympus imposes no restrictions on decisions relating to employee selection, whether for entry-level or mid-level positions, promotions or salary increases. We are always ready to employ and utilize unique human resources: people who are capable in specialized fields, have appropriate work ethics, and are able to think as independent professionals.

Utilizing Human Resources on a Global Scale

Olympus has been utilizing its human resources on a global scale, under its policy of actively appointing the right persons to the right posts based on their strengths, regardless of nationality. Each Olympus Corporation, Olympus Imaging Corporation and Olympus Medical Systems Corporation has two non-Japanese directors. Many overseas affiliated companies are headed by local people.

Employment for People with Disabilities

Olympus has implemented a range of initiatives to create work environments that are amenable and motivating for people with disabilities. Olympus Supportmate Corporation, a special-purpose subsidiary* established in April 2009, has created working environments and working conditions that are appropriate both for the nature of each individual's disabilities, and for operational requirements. Olympus will continue to implement specific initiatives designed to expand employment opportunities for people with disabilities, including active recruitment and the development of working environments. The total employment ratio for people with disabilities in the seven companies covered by this special-purpose subsidiary group system has reached 1.82% (as of June 2011).

*A subsidiary approved by the Minister of Health, Labour and Welfare, as an organization that gives special consideration to the employment of people with disabilities and meets certain requirements provided in Article 44 of the Act on Employment Promotion, etc., of Persons with Disabilities, and is deemed as one business office of its parent company.

Reemployment System for Retirees

Olympus has set the retirement age at 60. However, following the April 2006 amendments to the Law Concerning Stabilization of Employment of Older Persons, we introduced a new system under which all persons who wish to continue working are eligible for reemployment unless there are serious evaluation or health issues. In fiscal 2010, Olympus rehired 42 people who had reached retirement age. These people continue to make a valuable contribution based on their accumulated technical knowledge and skills. For those approaching retirement age, Olympus provides career development training under its Career Design 65 program. This program helps people to approach life planning and career development from a long-term perspective looking toward their fifties and sixties.

For Society

Engagement with Local and International Communities Based on Our Technological and Human Resources

As a global citizen, Olympus aims to improve and continue its relationships with all stakeholders by developing business activities from the perspective of making contribution to society by using our technological and human resources in activities that benefit society.

Social Contribution Policy

Active Support in Fields Where Our Management Resources Can be Effectively Used

In addition to its contribution through business, Olympus aims to contribute to society in various other ways through the use of its management resources, including its technology and manpower. Our Social Contribution Policy, which was established in March 2005, focuses on four areas of social contribution: medicine and health, culture and the arts, the global environment, and natural science. It also encourages every employee to actively participate in voluntary activities.

Olympus Social Contribution Policy (Extract)

- Olympus will contribute to the enhancement of the quality of life on various levels, from local communities to the global environment, by actively utilizing its management resources, including technologies gained through business activities and human resources, in non-business areas.
- This Social Contribution Policy applies to all Olympus group companies globally.
- Olympus will strive to establish systems and develop a corporate culture under which individual employees can take pride in their status as members of the Olympus Group, while contributing as private citizens through their own voluntary activities.
- Olympus will actively contribute to society, especially in the four areas, namely, medicine and health, culture and the arts, the global environment, and natural science.

Note: This policy is not applicable to Olympus Group's listed companies that have a separate policy.

Medicine and Health

Colorectal Cancer Awareness Campaign in Cooperation with Government Agencies

Olympus is working to reduce the number of deaths from colorectal cancer by informing people in the target age group (40 and older) about the incidence of this disease and the need to undergo diagnostic checks. In February 2007, Olympus launched the Brave Circle Campaign to eradicate colorectal cancer. Brave Circle activities are promoted by the Brave Circle Steering Committee, which in July 2009 was granted the status of special non-profit organization (NPO). The campaign has since grown into a public service initiative involving the participation of many companies and organizations, including Olympus. In fiscal 2010, the Committee and governmental agencies collaborated in holding various walking events, open civic forums and exhibitions, such as the "Love & Brave Kyoto Walk" in May, the "Brave Circle Nagano Walk" in July, and the "Tokyo *Kenko* (Health) Walk" in November. Olympus continues to provide extensive support for the Committee's activities, both as a full-fledged member of the Committee, and also as an official sponsor.



Expedition into a large-intestine-shaped tunnel



Talk event on a street corner



Love & Brave Kyoto Walk

»WEB **BRAVE CIRCLE** (Only in Japanese)
<http://www.bravecircle.net/>

For Society

Engagement with Local and International Communities Based on Our Technological and Human Resources

Japanese Foundation for Research and Promotion of Endoscopy (a public interest incorporated association)

The Japanese Foundation for Research and Promotion of Endoscopy, a public interest incorporated association, was established to encourage and subsidize research into endoscopic medicine, thereby contributing to the development of medicine and improvement of the welfare of humankind. It was launched with a donation from Olympus in 1982. The Foundation provided research support to 52 recipients in fiscal 2010.

▶WEB **Japanese Foundation for Research and Promotion of Endoscopy (a public interest incorporated association)**
(Only in Japanese)
<http://www.endo-jfe.or.jp/>

Bio Imaging Laboratory

Olympus has run the Olympus Bio Imaging Laboratory, a joint initiative with the Japanese Foundation for Cancer Research (a public interest incorporated foundation), since 2005. Olympus employees and researchers from the Japanese Foundation for Cancer Research carry out research at this laboratory using research facilities provided by Olympus. Their goal is to eradicate cancer.



Olympus Bio Imaging Laboratory

Culture and the Arts

A DAY IN THE LIFE OF AFRICA

About one hundred of the world's leading photojournalists from 26 countries were sent to 53 African countries to photograph a day in the life on the African continent. The photographs that they captured with their lenses were used to create an amazing tapestry of images. As a premier sponsor for this massive project, Olympus supplied the equipment. Many Olympus staff from Japan, Europe and the United States participated in the project and provided extensive backup support for the photographic work. This project was launched to draw worldwide attention to the AIDS epidemic in Africa, with proceeds from the publication of a photographic book going to the Day in the Life of Africa AIDS Education Fund. As part of our efforts to inform the world about the significance of this project, Olympus has staged photographic shows in many parts of the world since 2003 with the cooperation of the United Nations, JICA as well as non-governmental organizations. In fiscal 2008, Olympus received numerous requests to present the exhibition during the run-up to the 4th Tokyo International Conference on African Development in Yokohama in May 2008. It was staged at the JICA Yokohama Center gallery in February 2008, and at the Japan Newspaper Museum in April 2008. The exhibition was also presented in December, 2008 at "Photo Town" in Higashikawa-machi in Hokkaido, where the Toya Lake Summit was held. In 2009 and 2010, Olympus held more photograph-

ic exhibitions* at its head office in the Shinjuku Monolith in November, 2009, and within the venue of African Festa 2010 at Yokohama Red Brick Warehouse in June, 2010. For those who cannot visit an exhibition venue, Olympus has established a Web-based gallery in four languages. In recent years, Olympus has worked to promote awareness of the Millennium Development Goals (MDGs) through this program.

*Held simultaneously with "Picture This: Caring for the Earth."

▶WEB **A DAY IN THE LIFE OF AFRICA**
<http://www.olympus-global.com/en/event/DITLA/>



A logo created to promote awareness of MDGs



©Nick Kelsh from "A DAY IN THE LIFE OF AFRICA"

Oyako Day

There is a movement afoot in Japan to have the fourth Sunday in July celebrated as "Oyako Day*." Oyako means parent(s)-child(ren). The idea that inspired this campaign was that it would be wonderful to strengthen family bonds by dedicating one day each year to parent-child communication. Olympus is working with photographer Bruce Osborn and his friends to popularize this concept. At the Super Photo Session, 100 parent-child groups were photographed, and in September the images were displayed in the Olympus Gallery at Tokyo and Osaka, Japan. At the same time, Olympus held parent-child photograph and essay competitions. In 2010, the Third Parent-Child Grand Prize Competition was held. The winners, selected by the public, were Japanese comedian, Mr. Tsutomu Sekine and his daughter, Miss Mari Sekine. Having come at a time when the public is becoming increasingly concerned about the falling birthrate and domestic violence, Olympus hopes this initiative will help people to rediscover parent-child bonds through photographs. As a new endeavor, we also conducted a class under the theme of "Oyako Day" in collaboration with an NPO, Shibuya University Network.

*Oyako Day has been authorized by Japan Anniversary Association since 2005.



A poster for Oyako Day

For Society

Engagement with Local and International Communities Based on Our Technological and Human Resources

Overseas Photo Field Work

Olympus is cooperating in the training of world-class documentary photographers by supporting the Photo Field Work program established by the Nippon Photography Institute (NPI). Sebastião Salgado has agreed to act as honorary adviser for this program, which is the first of its type in the world. In 2010, the fifth group of students experienced the challenges of photographic assignments by spending six months continually traveling throughout Asia. Olympus supported this pioneering initiative. We provided extensive assistance in the operation of a blog, to which the students were able to post their photographs in real-time from overseas, and local Olympus Imaging Singapore (OISP) staff helped the students to stage a photographic exhibition when they were in Singapore.



Course map



The photographs were displayed at the National Geographic Store in Singapore. Olympus Singapore provided total support for the event, and the students themselves greeted visitors wearing traditional Japanese yukata.



Visitors study the photographs. (Source: NPI)

Comments from a Nippon Photography Institute Instructor for the Overseas Photo Field Work Program

The first class of Overseas Photo Field Work course students spent almost half-a-year carrying out practical photography studies in approximately 10 Asian countries in 2006. Since then, students have been provided with digital cameras so that they can share their experiences on blogs. Thanks to the extensive support provided by Olympus Group staff in Japan and overseas, the students were able to present their photographic collections in exhibitions in South Korea, which was one of the countries visited, and also in Singapore. Obviously none of our students had previously had the opportunity to participate in exhibitions overseas. This would not have been possible without the superb support provided by Olympus staff from the preparatory stage, including the selection of venues. Many local people viewed the exhibitions, which were extremely valuable and significant. Our students are all determined to play a wider role in society through their contributions to photographic culture. They will all benefit considerably from this wonderful opportunity, which has brought a world that previously seemed distant into closer focus and given them a direct experience of the potential of visual expression. None of this would have been possible without the Olympus Group's understanding of and support for the advancement of imaging culture through photographic education. We would like to express our sincere gratitude for the warm assistance provided by Olympus staff, including overseas staff.

TOPICS

Olympus Acquires Naming Rights for a New Civic Hall in Hachioji

As part of its community contribution activities and efforts to promote art and culture, Olympus has concluded an agreement with the City of Hachioji concerning the acquisition of naming rights for a new civil hall. Opened in April, 2011, the hall is located in front of the south exit of JR Hachioji Station. Under the terms of agreement, it has been named Olympus Hall Hachioji*. With seating for 2,021 people, the hall is one of the biggest in the Tama district and provides a superb environment for the enjoyment of stage performances, including advanced audio systems and a design that brings the audience and performers together. This new facility is expected to attract a variety of exciting events and concerts. Olympus sees the acquisition of naming rights for the new hall as an opportunity to contribute to the promotion of art and culture and the revitalization of the local community.



*Olympus will retain the naming rights for ten years, from April 1, 2011 through March 31, 2021.

»WEB **Olympus Hall Hachioji official website** (Only in Japanese)
<http://www.olympus.hall-info.jp/>

The Global Environment

Voluntary Environmental Activities

Olympus Optical Technology Philippines, Inc. has been planting mangrove trees since fiscal 2005. It has also supported government initiatives to protect tropical rainforests and coral reefs since 2007, while continuing its tree-planting activity.

Since 2007, employees of Aomori Olympus have been planting beech trees in the Shirakami Mountains under the supervision of a non-profit organization, the Shirakami Mountain Preservation Society. The aim of this program is to restore a natural beech forest that was cut down under the government's policy of planting cedar trees during the postwar period. To preserve the natural eco-system in the forest, saplings raised from seeds gathered in the forest are being planted.



Tree-planting by Olympus Optical Technology Philippines, Inc.



Tree-planting by Aomori Olympus

Donation of Olympus/WWF Calendars

Since 1986, Olympus has been producing nature calendars in Japanese and donating them to WWF^{*1} Japan. Funds raised through the sale of these calendars are used to support the activities for nature conservation of WWF Japan, including the prevention of global warming. The photographs in the 2011 calendar were taken by wildlife photographer Mitsuaki Iwago, who used an OLYMPUS E-SYSTEM digital SLR camera to document the chains of life passed on from parents to children among wild animals inhabiting vast and sometimes harsh natural environments. These calendars are made entirely from recycled paper, and an alternative to PVC was used for the binders to ensure that the calendar would be totally pollution-free. The Japanese version is made from environmentally sound FSC-certified paper^{*2} produced using resources obtained from appropriately managed forests. This calendar also achieved the Color Universal Design (CUD) certification^{*3} for its design that would be clear to most people, regardless of individual variations in color perception.

^{*1} WWF, or the World Wide Fund for Nature, is the world's largest organization concerned with the protection of nature. It is active in approximately 100 countries and has the support of over five million people. The WWF was founded in 1961 to protect endangered wild animals. Currently, the WWF is engaged in protecting nature in a wider sense with the inclusion of environmental problems, such as global warming and toxic chemical pollution, and the promotion of the sustainable use of resources obtained from nature, including wood and fishery resources. Its ultimate goal is the creation of a new society in which people and nature can coexist in harmony.

^{*2} FSC-certified paper is paper certified as having been produced in accordance with the Forest Stewardship Council (FSC) standards, which are an International forest certification system.

^{*3} Third-party certification by a non-profitable organization, the Color Universal Design Organization (CUDO), issued to a product or a facility for its color universal design that would be clear to most people, regardless of individual variations in color perception.



Olympus/WWF Japan Calendar for 2011

»WEB **Support for WWF Japan through Nature Photo Calendar** (Only in Japanese)
<http://www.olympus.co.jp/jp/corc/csr/social/contribution/earth/>

Natural Science

Wakuwaku Science Workshop

The Wakuwaku Project (literally, "Exciting Project") aims to encourage children to take an interest in science by providing science workshops mainly for elementary and junior high school children. The workshops are mostly run by Olympus staff working as volunteers. The program provides children with opportunities to learn about the properties and mysteries of light, a field of science in which Olympus has extensive knowledge and experience. Olympus supports the program by providing equipment and materials for use in experiments and in other ways. Activities are designed to be exciting for the participating Olympus staff as well as the children. In fiscal 2010, a total of five events were held, including events at elementary and junior high schools and classes at junior high school.



Wakuwaku Science Workshop

»WEB **Wakuwaku Science Workshop** (Only in Japanese)
<http://www.olympus.co.jp/jp/event/wakuwaku/>

Natural Science Observation Contest

Organized by the Society of Scientific Photography and the Mainichi Newspapers, the Natural Science Observation Contest, gives elementary school and junior high school children an opportunity to present the results of scientific research projects carried out during the summer holidays in the categories of free research and science. The 51st contest in 2010 received more than 12,000 entries from across the nation. Olympus recognizes the importance of this contest as a way of encouraging children to develop scientific curiosity by finding their own answers to questions that interest them. It has been a co-sponsor of the program for half a century since the very first contest in 1960. Olympus has also played an active role in the administration of the program, including the creation of a DVD and website explaining how to select and approach free research themes, the preparation of posters and entry rules, the judging process and the presentation of awards. Olympus will continue to support this initiative to foster scientific curiosity in children and encourage them to meet the challenge of exploring the mysteries of the world around them.

»WEB **Natural Science Observation Contest** (Only in Japanese)
<http://www.shizecon.net/>

For the Environment

Environment Policy and Management

As an environmentally advanced company, Olympus reduces environmental loads effectively and efficiently by setting long-term objectives and globally implementing environmental management systems.

Olympus Group Environmental Charter

In August 1992, the Olympus Group constituted the Olympus Group Environmental Charter to articulate its basic positions on environmental issues and to set ambitious environmental protection goals as the basis for specific activities in keeping with its commitment to good corporate citizenship. The fundamental concepts behind the Environmental Charter are expressed in the “Harmony with the Environment” section of the Corporate Conduct Charter (see page 6), which was established after the Environmental Charter.



Smile for the Earth

For Environmental Harmony Between People and the Earth

This logo symbolizes the Olympus Group's environmental activities. As suggested by the smile in the logo, the aim of those activities is to keep people and the earth smiling.

Basic Environmental Plan

The Olympus Group has adopted a Basic Environmental Plan as a part of our medium-term planning to provide a framework for medium-term environmental activities.

As a company dedicated to human health and happiness, Olympus regards greenhouse gas emission control as a critical issue, and has adopted a long-term goal of reducing CO₂ emissions by 50% across product lifecycles by fiscal 2020, compared with the fiscal 2007 level. Currently, we are working actively toward this goal. In addition, we examined the relationships between our business activities and biodiversity in fiscal 2010, and in fiscal 2011 we adopted action plans under which we will launch biodiversity protection initiatives based on the characteristics of our business activities.

We will work to achieve these goals and supply the best products and services in the industry by ensuring that all processes are environmentally responsible, especially product development and design processes, which determine our overall approach to manufacturing, and the technology development activities on which those processes depend.

■ Olympus Group Environmental Charter

Environment Protection Declaration

Olympus Group, respecting nature and the health and safety of mankind, has resolved through its technological development and through adopting ecologically compatible business practices to contribute to the reestablishment of a healthy environment and a society in which a sustainable development is possible.

Guideline for Environmental Action

In all business activities, Olympus Group will give priority to environmental protection and will apply itself with dedication to this task both on an organizational and individual basis.

1. Technology Development

We will develop products, services and production technologies with a careful and conscientious regard for safety and environmental protection. Furthermore, we will make the results of such developments available to everybody.

2. Drawing up Norms and Assessing Results

We will take the initiative in setting up our own pioneering standards and norms. We will assess the environmental impact at each stage of our operations from development through to production and sales to realize continuous improvements.

3. Protection of Natural Resources and Prevention of Pollution

We will make a united effort to conserve natural resources and save energy. At the same time, we will push forward with activities based on the effective use of recycling waste, and endeavor to reduce environmental loads and prevent pollution.

4. Compliance and Activity Support

We will comply with environment-related laws and regulations, and co-operate with environmental measures recommended by government bodies. We will actively participate in environmental protection activities being carried out by regional and international communities.

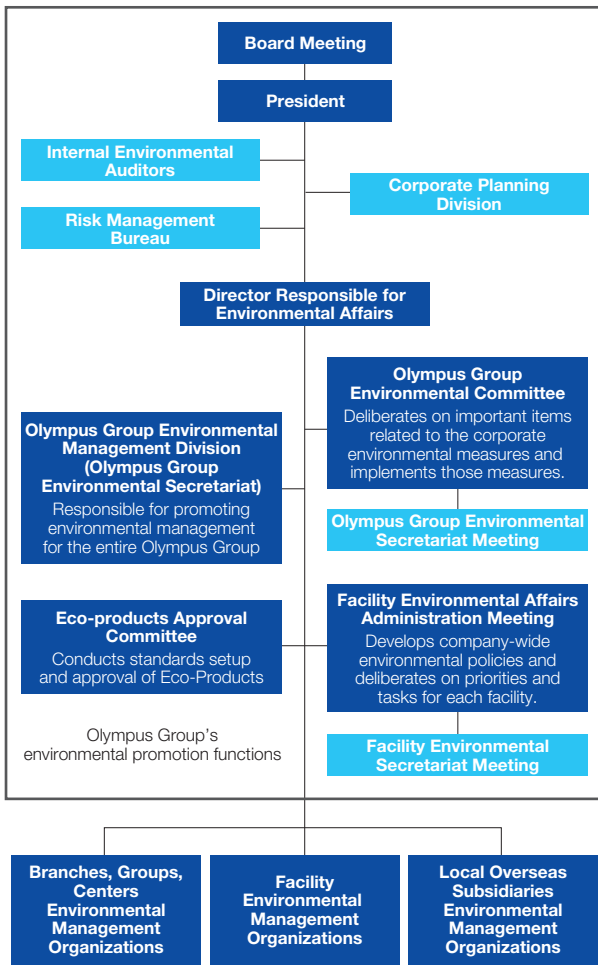
5. Education and Total Staff Participation

We will publicize and engage in other activities with the purpose of informing all Olympus staff of the need for environmental protection. We will encourage each and every staff member to increase his or her understanding of environmental protection activities at home, at work, and in the community.

6. Structure to Promote Activities

Under our director in charge of environmental protection, we will make clear our responsibility to promote environmental protection. We will establish a structure through which we can take appropriate measures to deal with changes as they occur inside and outside Olympus.

Environmental Promotion System



Promotion of Environmental Management System

Olympus regards environmental management systems as important tools for global environmental management. Starting with the Ina Plant in 1997, we have achieved ISO14001 certification at all manufacturing sites and major logistics and distribution subsidiaries in Japan, and at key manufacturing sites in other countries. We are working to extend certification to new manufacturing subsidiaries.

In 2004, we obtained ISO14001 certification for the Olympus Corporation Environmental Management System, which governs the administration of environmental management by companies within the Olympus Group. Through this system, the President's environmental policies are extended to environmental management organizations in business divisions, plants and overseas subsidiaries to ensure the reliable administration of environmental management systems throughout the Olympus Group.

Status of Compliance with Environmental Laws

There were no environment-related lawsuits or fines in fiscal 2010. There was a complaint about the use of lighting during a scheduled power outage at the Technology Development Center in Ishikawa. This complaint was resolved after it was explained that the facility been exempted from the scheduled outage program in March 2011.

An affiliated company received administrative guidance from a local government body concerning the disposal of waste. The company implemented remedial measures and took steps to prevent any recurrences.

Summary of Results for Fiscal 2010

Priority Measures	Targets	Results	Future Efforts
Reinforcement of environmental management systems	<ul style="list-style-type: none"> Reinforcement of environmental risk preparedness systems Promotion of biodiversity conservation 	<ul style="list-style-type: none"> Environmental assessments conducted in conjunction with quality and labor management assessments of factories in Japan and overseas by senior management Assessment of relationship between business activities and biodiversity 	<ul style="list-style-type: none"> Establishment of global-level environmental governance systems Formulation of biodiversity conservation plan
Provision of environmentally-conscious products and services	<ul style="list-style-type: none"> Expanded creation of Olympus Eco-Products 	<ul style="list-style-type: none"> Creation of 63 Olympus Eco-Products (cumulative total: 349), raising percentage of total product sales to 55% Super Eco-Products system launched, seven imaging products and OEM products designated 	<ul style="list-style-type: none"> Creation of Olympus Super Eco-Products in all product categories
Reduction of environmental burden relating to business activities	<ul style="list-style-type: none"> 20% reduction in manufacturing-related CO₂ emissions by fiscal 2014 (from fiscal 2007 level) 20% reduction in waste emissions by fiscal 2014 (from fiscal 2007 level) 	<ul style="list-style-type: none"> 16% reduction in manufacturing-related CO₂ emissions compared with fiscal 2007 level 20% reduction in waste emissions compared with fiscal 2007 level 	<ul style="list-style-type: none"> Reduction of manufacturing-related environmental footprints through improved operating efficiency and development of manufacturing-technologies
Improvement of environmental communication	<ul style="list-style-type: none"> Promotion of information about environmental initiatives to stakeholders Expansion of environmental contribution activities 	<ul style="list-style-type: none"> Distribution of information through Corporate Social Responsibility Report and websites Implementation of tree-planting programs, no-car days and other initiatives 	<ul style="list-style-type: none"> Continuing distribution of environmental-related information Development of regionally focused environmental contribution activities

ISO14001 Certification in the Olympus Group

Certification had been achieved at key development and manufacturing sites in Japan and overseas by the end of fiscal 2005, and at 17 business sites by the end of fiscal 2010.

The Olympus Group will continue its determined efforts to build comprehensive environmental management systems encompassing all of business operations, including logistics, sales and distribution and service.

List of ISO14001 Certified Plants/Offices

Plant/Office	Location	Date of Certification
Ina Plant	Ina-shi, Nagano	February, 1997
Tatsuno Plant/ Okaya Olympus Co., Ltd.	Tatsuno-machi, Kami-ina-gun, Nagano	February, 1998
Hinode Plant	Hinode-machi, Nishitama-gun, Tokyo	July, 1998
Aizu Olympus Co., Ltd.	Aizu-Wakamatsu-shi, Fukushima	October, 1998
Shirakawa Olympus Co., Ltd.	Nishigo-mura, Nishishirakawa-gun, Fukushima	October, 1998
Aomori Olympus Co., Ltd.	Kuroishi-shi, Aomori	November, 1998
Olympus (Shenzhen) Industrial Ltd.	Shenzhen, China	September, 1999
Technology Research Institutes (Hachioji)	Hachioji-shi, Tokyo	March, 2000
Olympus Winter & Ibe GmbH	Hamburg, Germany	May, 2001
KeyMed (Medical & Industrial Equipment) Limited	Southend-on-Sea, United Kingdom	March, 2002
Olympus Logitex Co., Ltd.	Kawasaki-shi, Kanagawa	November, 2003
The Olympus Corporation Environmental Management System	2 Nishi-Shinjuku, Shinjuku-ku, Tokyo Hachioji-shi, Tokyo	January, 2004
Olympus Medical Science Sales Co., Ltd.	3 Nishi-Shinjuku, Shinjuku-ku, Tokyo	October, 2004
Olympus (Guangzhou) Industrial Co., Ltd.	Panyu, Guangzhou City, China	October, 2004
Olympus Optical Technology Philippines, Inc.	Philippine Cebu	May, 2005
Olympus America Inc., National Service Center	San Jose, CA, USA	December 2005
Olympus NDT Inc.	6 business sites including Waltham, MA, USA	September 2010

Certified business sites: 13 out of 13 manufacturing and development sites
Employees at certified business sites: 22,037 (as of March 2011)

Green Purchasing

Olympus promotes green purchasing, which is the preferential procurement of environment-friendly products, for office supplies and equipment, motor vehicles and other items used by employees in their work. We also encourage every driver to contribute to the reduction of greenhouse gas emissions by using eco-driving* techniques. Drivers using parking lots and other facilities at Olympus business sites are reminded of the need to turn off their engines instead of idling.

*The term "eco-driving" generally refers to the continuous use of driving techniques that help to reduce vehicle exhaust emissions, such as the avoidance of idling, sudden stopping and rapid acceleration. This environmental activity is believed to contribute to fuel efficiency, accident prevention and the prevention of air pollution.

FY2010—Number of Company-Owned Vehicles in Japan (as of March 31, 2011)

Plant/Office	Total Vehicles Owned	Number of Eco-Cars*	Eco-Car Rate (%)
Olympus Corporation Head Office, 40 branches and business offices throughout Japan	358	349	97
Olympus Corporation, Technology Research Institutes (Hachioji) and Hinode Plant	11	7	64
Olympus Corporation Tatsuno Plant, Okaya Olympus Co., Ltd. and Olympus Opt-Technology Co., Ltd. Head Office	24	15	63
Olympus Corporation, Ina Factory	10	2	20
Olympus Corporation, Shirakawa Factory	8	7	88
Aomori Olympus Co., Ltd.	5	4	80
Aizu Olympus Co., Ltd.	5	3	60
Olympus Telmo Bio Material Co., Ltd.	17	17	100
Olympus Medical Science Sales Co., Ltd.	498	466	94
Olympus Logitex Co., Ltd.	8	7	88
Total	944	877	93

*Olympus defines eco-cars as vehicles falling into the following five categories: vehicles certified by the Ministry of Land, Infrastructure and Transport as low-emission vehicles (50% reduction compared with the 2005 emission standards), electric vehicles, hybrid vehicles, LNG-powered vehicles, and methanol-powered vehicles.

Environmental Impact of Business Activities

Olympus monitors environmental burdens relating to its business activities across entire product life cycles, including resource procurement, manufacturing, distribution, waste disposal and recycling, and we are striving to mitigate those burdens. In fiscal 2010, although affected by production cut-

backs caused by the economic slump, Olympus implemented measures to reduce environmental burdens in the context of our business activities. As a result, we successfully reduced CO₂ emissions, waste and water consumption at our production facilities.



Only production facilities in Japan Global production facilities

Difference in percentage from previous year in brackets

Environmental Accounting

Environmental management in the Olympus Group is based on the discovery and sharing of examples of effective and efficient environmental activities within the Group. This is achieved by monitoring, as quantitatively as possible, the costs of environmental protection and the benefits achieved, both in terms of environmental protection and also economically. Under the challenging economic conditions that prevailed in fiscal 2010,

Olympus reduced its capital investment, while continuing to work steadily to reduce environmental loads through research and development relating to environmentally responsible products, through initiatives at production sites, and through ongoing consideration for the environment in relation to products and logistics. These efforts yielded quantitative and monetary benefits.

■ Environmental Costs

Unit: Million yen

Grouping		Fiscal 2008		Fiscal 2009		Fiscal 2010	
		Investment	Cost	Investment	Cost	Investment	Cost
Costs Inside Business Area		2,039	418	121	515	73	527
Contents	Prevention Cost of Public Nuisance	80	193	21	143	22	138
	Global Environmental Conservation Cost	1,959	48	100	180	49	209
	Resource Circulation Cost	0	176	0	192	2	180
In Upstream Costs		8	218	1	97	1	180
In Downstream Costs		0	18	0	13	0	12
Environmental Management Activity Costs		0	415	0	371	0	424
R&D Costs		1	736	29	674	30	670
Costs of Social Activities		0	13	0	2	0	2
Costs for Damaged Environment		0	5	0	0	0	8
Total		2,048	1,823	151	1,672	105	1,823

■ Environmental Effects

Unit: Million yen

Quantitative Effects of Environment Preservation		Fiscal 2008	Fiscal 2009	Fiscal 2010	Change from Previous Fiscal Year	Change Percentage from Previous Fiscal Year
Effects inside Business Area	CO ₂ Discharged (unit: t-CO ₂)	103,614	98,666	93,320	-5,346	-5%
	Waste Discharged (unit: t)	5,434	4,655	3,855	-800	-17%
	Water Usage (unit: 10,000m ³)	213	187	167	-20	-11%
	Chemical Substances Discharged/ Transferred (unit: t)	18.3	16.2	21.6	5.4	33%

Unit: Million yen

Economic Benefits of Environmental Protection		Change from Previous Fiscal Year
Revenue Benefits	Revenues from Sales of Recycled Valuable Substances	-2
Cost Savings	Energy Costs	-125
	Landfill Disposal Contracting Costs	-2
	Water Usage	-26

Period: April 1, 2010 to March 31, 2011

Targets of aggregation: Major targets in this report (offices and plants in Japan and China) and Olympus' head office and affiliated logistics companies in Japan.

NOTE:

- 1) Calculation is made with reference to the Environment Accounting Guidelines (FY2005).
- 2) The proportions of cost and depreciation expenses that cannot be clearly separated into those for environmental preservation and those for other purposes are not calculated, and their totals are not included for the purposes of environmental accounting.
- 3) Amount of capital investment by the Olympus Group during the period=32,699 million yen, R&D cost=67,286 million yen
- 4) The data is continually reviewed and updated from time to time on the website.

For the Environment

Product-Related Environmental Initiatives

As a manufacturer, Olympus is working to provide more environmentally harmonious products. To achieve this, it has established its own Olympus Eco-Products Standards, based on the characteristics of the Olympus Group’s business activities and products, to guide the design of environmentally-conscious products.

Environmentally-Conscious Products

Human health and safety and the workings of nature are precious and irreplaceable. As a manufacturer, Olympus is contributing to the creation of a sustainable society by supplying more products that are in harmony with nature.

The Olympus Concept of Environmentally-Conscious Products

As the percentage of environmentally-conscious products increases, there will be a corresponding reduction in the environmental loads caused by the processing of raw materials and the assembly and shipment of products. The environmental impacts resulting from the use and disposal of products will also be reduced. Olympus is working to create a sustainable society by manufacturing, selling and buying environmentally-conscious products.

Olympus Eco-Products

Under the Eco-Products Administration Rules, which it formulated in 2003, Olympus certifies products that meet its own standards for environmentally-conscious products as Olympus Eco-Products. In developing these standards, Olympus referred

to the Type II environmental labeling requirements stipulated in the international standard, ISO14021. Through this approach, Olympus is seeking to minimize environmental loads across entire product life cycles. The scope of the standards has been expanded to include not only products and their packaging, but also production and logistics processes. Assessments are based on four items: safety/environmental protection, energy conservation, resource conservation, and environmental disclosure.

In fiscal 2010, Olympus added new environmentally responsible design standards that are even more rigorous than the Eco-Products Standards. Under these new standards, products that make significant contributions to the reduction of environmental loads are classified as “Super Eco-Products.”

In fiscal 2010, 63 products were added to the list of Olympus Eco-Products, bringing the cumulative total to 349, including seven Super Eco-Products. Sales of Eco-Products now account for 55% of total sales.

Olympus will continue these efforts to reduce the environmental impact of every product that it manufactures and sells. As a manufacturer, we are determined to contribute to the creation of a sustainable society by supplying more environmentally harmonious product.

■ Eco-Products System

Super Eco-Products Standards

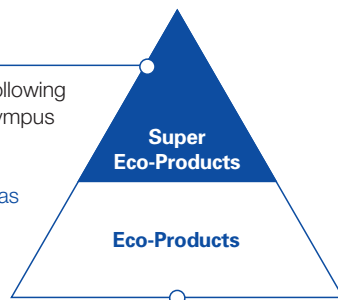
Super Eco-Products must meet following requirements in addition to the Olympus Eco-Products Standards.

1. Compared to the predecessor as its basis*1, the rate of greenhouse gas emissions reduction is more than 50% or more*2.
2. Compared to the predecessor as its basis*1, the rate of mass reduction is more than 30% or more*3.
3. Equipped with innovative environmentally-conscious technology.
4. Received external award of environment-related.

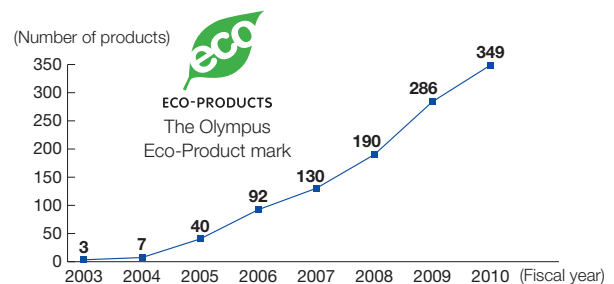
*1 Normally in comparison with FY2007 products

*2 Calculated on an LCA basis

*3 Total mass, including the product, accessories and packaging



■ Cumulative Total of Olympus Eco-Products



Eco-Products Standards

	Products	Production	Packaging	Logistics
Safety/Environmental protection	<ul style="list-style-type: none"> ● Management/reduction of chemical substances ● Compliance with related laws/regulations 			—
Energy conservation	Reduction of power consumption		—	Improvement of transportation efficiency
Resource conservation (3Rs)	<ul style="list-style-type: none"> ● Resource conservation ● Extension of product life ● Facilitation of recycling and disposal ● Recyclable design 	Resource conservation	<ul style="list-style-type: none"> ● Resource conservation ● Recycling ● Recyclable design 	Returnability
Environmental disclosure	<ul style="list-style-type: none"> ● Disclosure of LCA, waste data, energy consumption data ● Use of Olympus Eco-Products mark 			

Environmental Impacts

Each product has its own distinctive environmental footprint that reflects its impact on the environment. Olympus is making a significant contribution to environmental protection by reducing the impact of each product's environmental burdens in accordance with the specific nature of that particular product.

Olympus Product Life Cycle Assessments

To create environmentally-conscious products, first we need to identify the ways in which each product affects the environment.

Olympus products can be divided into two categories. First, there are products which are largely manufactured in-house, starting with individual parts. These include medical and industrial endoscopes, microscopes and analyzers. The second category is the products mostly assembled from components manufactured by suppliers, such as cameras and IC recorders. Each individual product in both categories affects the environment in different ways, and significant environmental benefits can be achieved by tailoring our efforts to reduce environmental burdens to the specific ways in which each product interacts with the environment.

We use the concept of Olympus Life Cycle Assessment (OLCA) to identify each product's environmental impact. One of the factors examined for these assessments is the global warming effect of a product over its lifecycle.

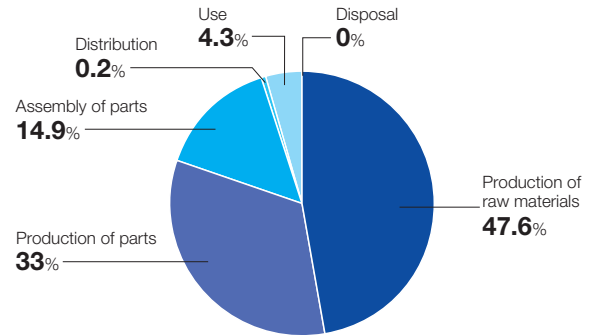
In the case of industrial endoscopes, most of the CO₂ emissions occur during the manufacture of parts and products. We enhance the environmental soundness of our products by working at the design stage to reduce environmental loads relating to the manufacture of parts, as well as those occurring through product use.

On the other hand, around 50% of emissions relating to digital cameras occur at the distribution stage. Clearly we can achieve greater environmental benefits by focusing on the reduction of environmental burdens during distribution. We are currently expanding our use of marine transportation, which produces less CO₂ emissions, as part of a modal shift away from air transportation.

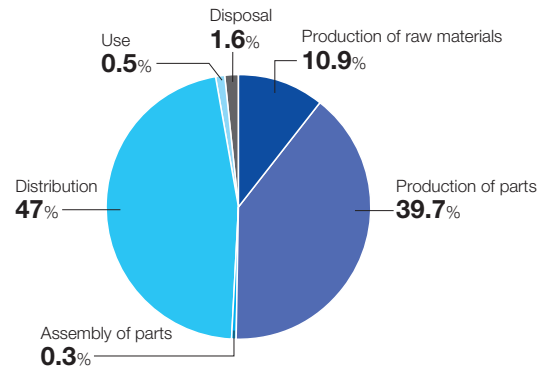
Concept of Olympus Life Cycle Assessment (OLCA)



LCA of the Industrial Endoscope, IPLEX MX II



LCA of the Compact Digital Camera, SZ-30MR



Green Procurement

Green Procurement Activities

Olympus clearly communicates its environmental concepts to all suppliers (parts suppliers etc.) with which it has transactions by means of the Olympus Environmental Charter, Environmental Protection Declaration and Environmental Action Guideline for Environmental Protection Declaration. Olympus also works with its suppliers to expand environmental initiatives by conducting surveys of environment-related substances and environmental management systems.

▶ **WEB** **Olympus Group Green Procurement Standard**
<http://www.olympus-global.com/en/corc/csr/environment/products/green-procurement/>

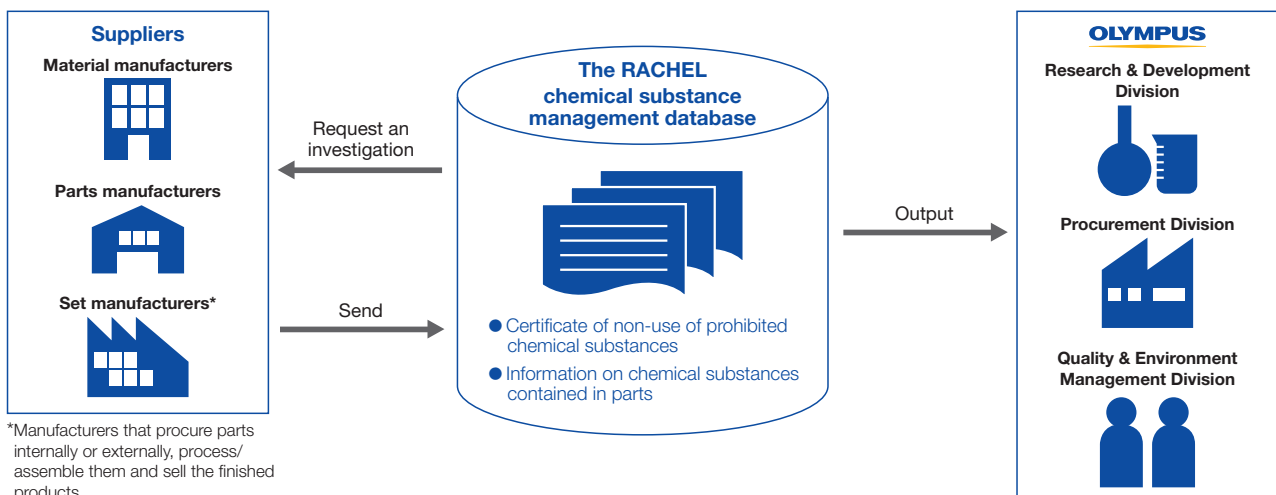
■ Olympus Group Green Procurement Standard (Japanese, English and Chinese versions)



Control over Chemical Substances Used for Products

In recent years, governments worldwide have tightened regulations relating to reduction or control of chemical substances that affect human health or the environment. In 2003, Olympus established the Control Rules for Environment-related Substances Used in Product*¹. We rigorously control chemical substances according to control levels based on local regulatory requirements, such as the RoHS Directive and the REACH and CLP regulations in Europe, and the Law concerning Pollutant Release and Transfer Register (*Kakanho*)

■ Outline of the RACHEL Chemical Substance Management Database



and the Environment and Promotion of Improvements to the Management Thereof (*Kashinho*) in Japan, as well as other criteria, such as social trends. In addition, we have established the Environmental Regulation Liaison Committee as an internal forum for the sharing of information on environmental regulations, and for deliberations on related measures.

*¹ The content of these rules is the same, though the titles differ between companies and business units.

▶ **WEB** **Olympus Group Control Rules for Environment-related Substances Used in Product**
<http://www.olympus-global.com/en/corc/csr/environment/products/green-procurement/>

Green Procurement Basic Information Survey

Olympus conducts surveys of environment-related substances contained in materials and parts used for products according to the list of environmental-related substances. The substances examined are those identified in the Japan Green Procurement Survey Standardization Initiative (JGPSSI)*² and the decision of the Joint Article Management Promotion-consortium (JAMP)*³. We ask suppliers to analyze environment-related substances in their materials and parts, and to provide information. We also conduct in-house analyses when necessary.

These surveys produce information on procured materials, which is stored in a dedicated database. After verification by design, development and purchasing staff, the information is used to select or change materials, parts and suppliers as part of our efforts to ensure that our products do not contain environment-related substances.

*² The Japan Green Procurement Survey Standardization Initiative (JGPSSI) is an organization that many major Japanese manufacturers established for the purpose of standardizing green procurement surveys.

*³ The Joint Article Management Promotion-consortium (JAMP) is an organization established to support compliance with international substance management systems by promoting the establishment of mechanisms to ensure the appropriate management of information about chemical substances contained in articles, and the efficient dissemination of that information through supply chains.

For the Environment

Environmental Manufacturing

Olympus aims to reduce environmental loads by moving away from business models based on the mass-consumption of finite resources, and to contribute to the formation of a recycling-based society capable of sustainably using a wide variety of resources, including energy, water, minerals and biological assets.

Global Warming Prevention: Activities in Fiscal 2010

Long-Term Targets

Olympus emits greenhouse gases through the use of energy and CFC substitutes in its business activities. Global warming is becoming an increasingly serious problem, and we regard the reduction of greenhouse gas emissions as a vital priority. We are working actively to achieve our long-term goal of reducing total CO₂ emissions throughout product life cycles by 50% from the fiscal 2007 level by fiscal 2020.



**CARBON 1/2
2020**

This logo symbolizes the Olympus Group's commitment to its long-term environmental target for the prevention of global warming.

Responding to Climate Change

Climate change is likely to cause extreme climatic trends and weather events in the future, including concentrated heavy rainfall, floods, droughts, and temperature changes. Olympus is reviewing its position in relation to current and future changes and regulatory systems.

● Physical Changes, Cost Changes

Abnormal weather patterns could cause physical damage to infrastructure and other assets, while weather events, such as concentrated heavy rainfall and floods, could lead to delays in deliveries of production supplies and products for sale. Olympus is mitigating this risk by diversifying its transportation networks.

Countermeasures against climate change are also expected to result in higher energy prices, leading to increased operating costs at business sites. The Olympus Group's response to this problem includes an increased commitment to energy conservation efforts.

In addition to these risks, there are also likely to be increased opportunities to supply Olympus products and services, such as non-destructive testing equipment, because of the heightened possibility of damage to water pipes and other infrastructure as a result of abnormal weather events.

● Compliance with Global Warming-Related Laws and Regulations

In Japan, the Olympus Group is developing energy management systems and facility management standards in response to amendments to the Act on the Rational Use of Energy.

Under its Basic Environmental Ordinance, the Tokyo Metropolitan Government has introduced restrictions on total greenhouse gas emissions and a waste trading system. Infringements against these requirements, which have been in effect since in April 2010, are punishable by fines. The Research and Development Center in Hachioji (Ishikawa/Utsugi) is required to reduce its total CO₂ emissions by 8% compared with the base level over a five-year period from fiscal 2010 to fiscal 2014. To ensure that this task is carried out as efficiently as possible, the Center has formed a CO₂ Reduction Promotion Committee with members from each department. This committee has started to implement specific measures, including the development of an emission reduction plan.

Because of measures implemented when new buildings were constructed, current estimates indicate that it should be possible to achieve the required reductions without purchasing emission rights.

Results of Activities in Fiscal 2010

Manufacturing-related CO₂ emissions: 100,071 tons
16% reduction from fiscal 2007 level

FY2014 target: 20% reduction from fiscal 2007 level

Total CO₂ emissions from business sites in fiscal 2010 amounted to 100,071 tons, a reduction of 16% compared with fiscal 2007 and 7% compared with fiscal 2009. In addition to production cuts caused by the recession, these reductions were also the result of day-to-day energy conservation efforts and other measures, including a shift to the use of natural energy.

Olympus stepped up the pace of its efforts to improve the environmental performance of its manufacturing activities. Measures include the use of power monitors to identify electricity wastage, and the development of alternative technologies to replace non-energy greenhouse gases, such as HFC, PFC and SF₆, which are used in cleaning, semiconductor etching and other processes. In March 2011, Olympus completely eliminated the use of HFC solvents for lens cleaning processes.

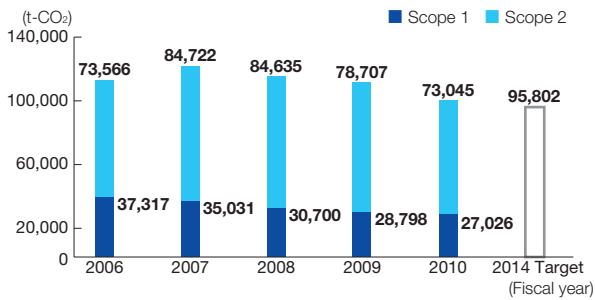
Olympus will continue to accelerate its efforts to improve the environmental aspects of its manufacturing activities. Specific measures in relation to electric power, which accounts for the bulk of energy consumption, include the use of power monitors to identify electricity wastage, and the development of manufacturing technologies that contribute to energy and resource conservation.

■ Energy Consumption

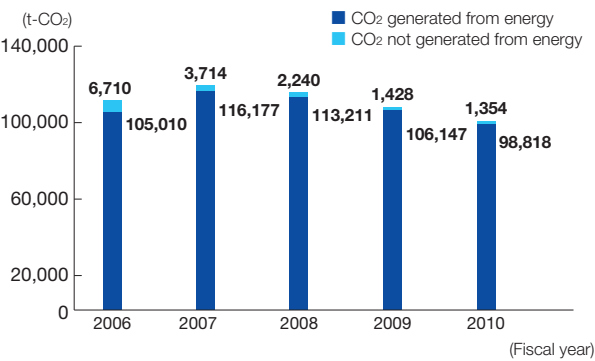
(Unit: TJ)

		Fiscal 2006	Fiscal 2007	Fiscal 2008	Fiscal 2009	Fiscal 2010
Direct	City gas	60	56	62	87	104
	LPG	22	26	33	23	33
	LNG	0	14	49	44	46
	Heavy fuel oil	151	138	82	50	54
	Kerosene	12	11	11	11	1
	Diesel fuel	224	226	202	205	176
	Subtotal	469	472	440	421	415
Indirect	Electricity	1,417	1,545	1,553	1,479	1,425
Total		1,887	2,017	1,993	1,900	1,839

■ CO₂ Emissions at Manufacturing Sites



■ CO₂ Emissions Generated/Not Generated from Energy



*Changes at all manufacturing sites only.

*Olympus reports in the following categories under the GHG Protocol.
 Scope 1: Greenhouse gas emissions resulting from the direct use of fossil fuels
 Scope 2: Greenhouse gas emissions resulting from secondary utilization, such as the purchase of electric power

*The Greenhouse Gas Protocol conversion coefficients are as follows.
 Japan: Calculations for items other than electric power were based on the conversion coefficient stipulated in the Greenhouse Gas Emission Methodology and Reporting System. Conversion coefficients published each year by the Federation of Electric Power Companies of Japan were used for the electric power. The electric power figures for FY2010 were calculated using the FY2009 coefficient.
 Overseas: Calculated using the Greenhouse Gas (GHG) protocol conversion coefficient as officially announced.

(<http://www.ghgprotocol.org>)

*Calculated using the figures stipulated in the enforcement order for the Law Concerning the Promotion of the Measures to Cope with Global Warming.

*CO₂ generated from energy: Amount of greenhouse gas emissions generated by using energy (scopes 1 and 2 in accordance with the GHG Protocol).

Energy Conservation Initiatives

● Implementation of Environmental IE (May–September 2010)

Environmental IE is a method for visualizing environmental loads and identifying technical issues on production lines. Olympus developed its own environmental IE methods and implemented an employee education program in preparation for the introduction of this technology at all plants in Japan.

● Olympus Production Innovation Meeting (February 2011)

The main theme for the meeting was “Manufacturing for the Environment—Becoming the Best Manufacturing Group in the World.” Participants presented case studies relating to production innovation on a global scale, including micro-factories and environmentally-conscious factories.

● Promoting Electricity Saving at Work and Home (March 2011)

Olympus produced educational materials about electricity saving and energy conservation measures that can be implemented at work or at home. This initiative was undertaken in response to major electricity shortages caused by the Great East Japan Earthquake, and as a way of raising employee awareness about the need to conserve electricity and energy.

Utilization of Natural Energy

● Installation of Solar Panels

Olympus Surgical Technologies Europe (OSTE) has business sites in Germany, the Czech Republic and elsewhere, at which it develops, manufactures, sells and services medical endoscopes. It is implementing a range of environmental measures based on local conditions at its facilities. The company incorporated every possible environmental measure into a new service base opened in the Czech Republic in November 2009, with the aim of achieving the first Class A environmental rating for an industrial facility in Central Europe. Energy-related measures include the use of energy-efficient lighting systems, heat pumps and heat recovery compressors, as well as the installation of rooftop solar panels to generate electricity and collect heat. These measures have reduced power demand at the facility by 74% compared with a conventional facility.

● Green Electricity Purchasing

In addition to its efforts to reduce energy consumption at its development, production and sales site in Germany, OSTE also worked with Olympus Europe Holding GmbH, the holding company for European subsidiaries, to implement an electric power purchasing policy under which it would purchase only naturally produced hydroelectric power. In this way, CO₂ emissions relating to electric power were reduced to zero, reducing total emissions by approximately 2,700 tons per year.



Reducing Waste and Recovering Resources

Results of Activities in Fiscal 2010

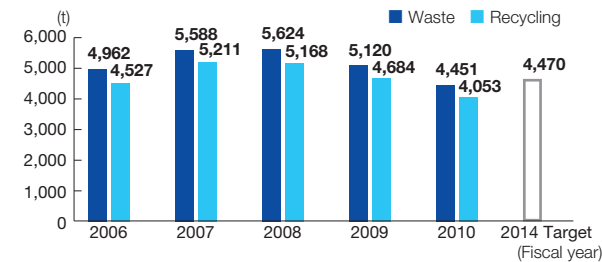
Total waste: 4,451 tons (20% reduction relative to 2007 level)

FY2014 target: Reduce waste by 20% relative to the FY2007 level

In fiscal 2010, the amount of waste was reduced by 20% from the fiscal 2007 level (13% year on year) to 4,451 tons. In addition to our efforts to reduce waste disposal at landfills and improve the recycling rate, we are also reducing the amount of waste generated. Besides, we are working to minimize processing losses by developing production technologies, and by targeting waste reduction at the product design stage. Through these approaches, we are striving to enhance the resource productivity of our manufacturing operations.

In fiscal 2004, Olympus completed advance applications and registrations for the disposal of electrical equipment, including transformers and capacitors, containing PCB at all of its business sites. These items, which are currently in storage, will be disposed of appropriately as soon as processing commences at the designated disposal sites.

Waste Emissions



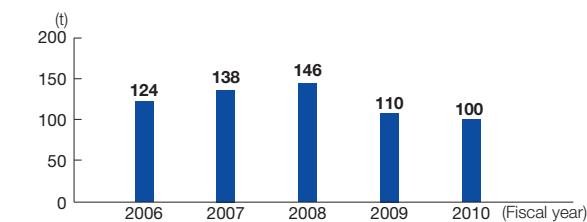
*The target for fiscal 2014 relates to waste emissions.

*Olympus disposes of waste from each facility within the country where the facility is located and does not transport it across international borders, regardless of whether or not the waste is designated as hazardous under the Basel Convention.

Total Copy Paper Consumption

Total copy paper consumption was 100 tons. At manufacturing sites, paper consumption is being reduced through the application of IT, including document digitization and the use of projectors at meetings instead of printed materials. Both manufacturing sites and administrative departments are actively working to reduce the use of paper.

Total Copy Paper Consumption



*The scope of the data is as same as the main scope of the Olympus CSR Report 2010.

Conservation of Water Resources

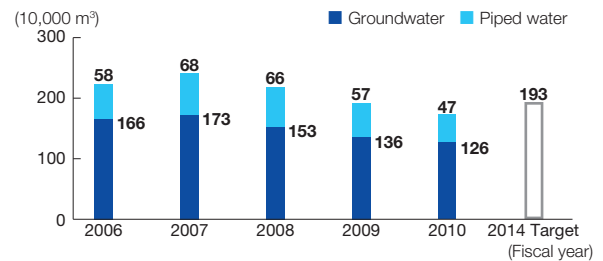
Results for Activities in Fiscal 2010

Water used: 1.73 million m³ (28% reduction relative to the FY 2007 level)

FY2014 target: 20% reduction relative to the FY2007 level

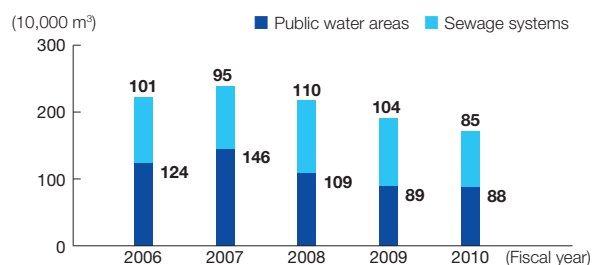
Water is used for many purposes, including the washing of parts, and is an extremely important resource for the business activities of the Olympus Group. We also recognize the importance of water resources from the viewpoint of biodiversity conservation. We are committed to the reduction of water consumption in our business operations through cascading (the repeated use of water between the intake and discharge stages), the development of production methods that reduce water consumption, leak prevention through facility inspections, and other methods. At the wastewater discharge stage, we strive to minimize the environmental impact through various measures, such as the maintenance and management of wastewater treatment facilities, and wastewater quality control.

Water Use

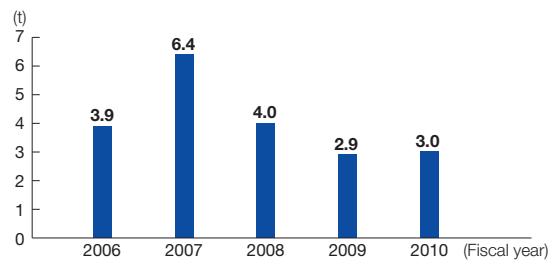


*The target for fiscal 2014 relates to total water use.

Wastewater



BOD



Chemical Substances

Olympus is working to reduce environmental risks by carefully monitoring the emissions and movements of chemical substances used in production processes.

Chemical Substance Control: Policies

The Olympus Group controls environmentally sensitive chemical substances used in production processes under internal rules based on chemical regulations in force throughout the world. Under these regulations, the substances used by Olympus are managed in four categories: completely discontinued substances, substances scheduled to be completely discontinued, limited use substances, and substances requiring appropriate management. Olympus aims to minimize environmental risks by reducing emissions of chemical substances into the environment, and by maintaining appropriate management systems.

WEB Environmental-related Substances Used in Manufacture Process Control Regulations
<http://www.olympus.co.jp/jp/corc/csr/environment/data/basis2.cfm>

Chemical Substance Control: Activities in FY2010

Results of activities in fiscal 2010
Emissions and movements of PRTR substances: 17.9 tons
(10% year on year increased)*

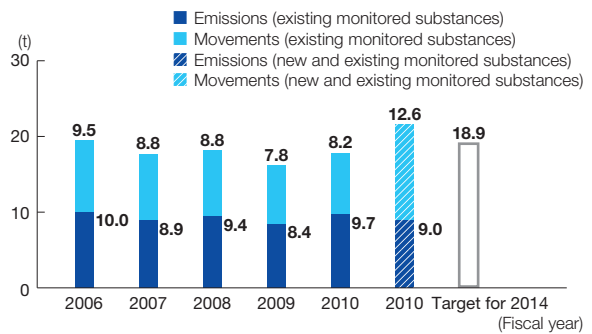
Target for fiscal 2014: 20% reduction from 2007 level*

*Neither results for fiscal 2010 nor the target include substances that were added or excluded as a result of amendments to the PRTR system.

Since fiscal 2000, the Olympus Group has conducted surveys under the PRTR system* to ascertain the amounts of substances requiring appropriate management that have been handled, emitted or moved. Any PRTR substance of which more than 10 kg is handled per year at any business site is subject to control requirements and measures to reduce emissions and movements. In fiscal 2010, the amount of PRTR substances emitted or transported increased by 10% year on year to 17.9 tons. The higher figure reflects increased production. If substances that first became subject to monitoring in fiscal 2010 are included, the total amount handled was 47.0 tons, and total emissions and movements amounted to 21.6 tons.

*The Pollutant Release and Transfer Register (PRTR) system covers chemical substances with the potential to cause harm to human health or ecosystems. Under the system, businesses monitor the amounts of these substances emitted from their business sites into the environment (atmosphere, water, soil) or moved from their business sites in waste or other forms. The results are reported to government agencies, which aggregate and publish the data. In Japan, the PRTR regulations are based on the Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof, which came into force in 2001. Following amendments to the law in 2008, the number of Type 1 designated substances subject to monitoring under the PRTR system has stood at 462 since fiscal 2010.

Emissions and Movements of PRTR Substances



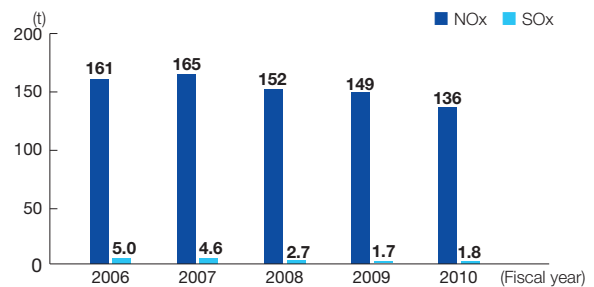
*New monitored substances are substances that have been covered by the PRTR system since fiscal 2010. Existing monitored substances are substances that were monitored prior to the end of fiscal 2009. The target for 2014 was based on monitored substances.

Preventing Atmospheric Pollution

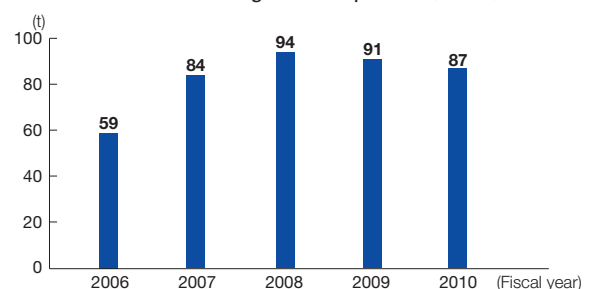
Olympus is working to reduce emissions of nitrous oxides (NOx) and sulfur oxides (SOx) by managing boilers, which are the source of NOx emissions, under its own standards, which are more stringent than the regulatory requirements. Specifically, the standards require the maintenance, management and improvement of facilities through ongoing facility inspections and combustion management, and through the measurement of exhaust gases at least twice a year. SOx emissions are being reduced through a shift to fuels other than heavy oil, which is a key source.

Olympus has also adopted its own standards, which are more stringent than the official standards, for the control of volatile organic compounds (VOCs). Under these standards, Olympus is working to maintain, manage and improve treatment facilities.

NOx and SOx Emissions



Emissions of Volatile Organic Compounds (VOCs)



For the Environment

Environmental Logistics

In addition to its efforts in relation to products and manufacturing operations, Olympus is also working to minimize environmental burdens at the packaging and logistics stages by developing systems that are more friendly to the environment.

Reduction of CO₂ Emissions Generated from Transportation

Olympus strives to reduce the weight of shipments by making products and packages lighter. We are also reducing CO₂ emissions at the logistics stage by improving transportation efficiency, and by expanding the scope of modal shifts to transportation methods that emit less CO₂.

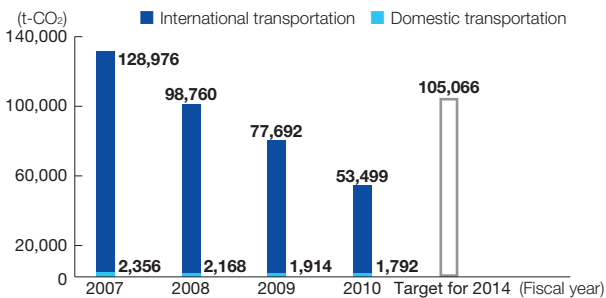
Results of Activities in Fiscal 2010

**Transportation-related CO₂ emissions:
60% reduction from 2007 level**

FY2014 target: 20% reduction from 2007 level

Transportation-related CO₂ emissions in fiscal 2010 amounted to 53,499 tons, a reduction of 33% from the fiscal 2009 level. Olympus Imaging Corporation expanded the scope of its modal shift from air to sea freight for international shipments and also reduced the weight of shipments by reducing the volume and weight of digital cameras and their packaging materials. In fiscal 2011, we will continue to reduce CO₂ emissions at the logistics stage by reducing the sizes and weights of products and packages.

Product Logistics-Related CO₂ Emissions



For Better Packaging

Olympus Imaging Corporation changed the package for xD picture cards from a plastic box to a paper box. By using paper materials, which are easily recycled, the company improved its recycling efficiency and reduced plastic consumption by 80%, compared with the existing plastic package. As a result, the amount of plastic waste disposed of in landfills was reduced by about 83 tons.

Reducing Packaging through New Technology

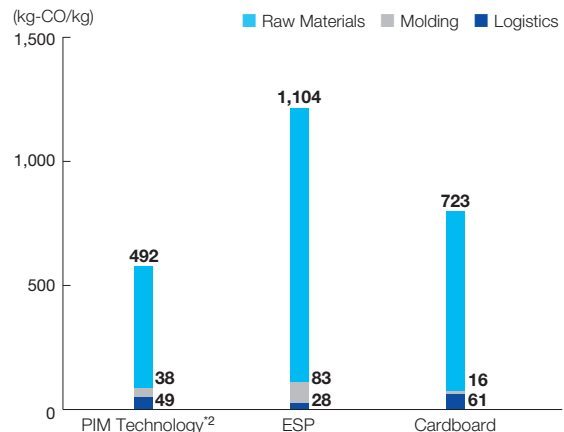
The packaging used at the logistics stage can cause environmental burdens. As part of its efforts to apply the 3R (reduce, reuse, recycle) concept to packaging, Olympus has developed pulp injection molding (PIM)* technology and is now working to put it into practical use.

We have confirmed the following benefits resulting from the application of this technology. (1) Because materials can be molded into the required shape in a single process, there is greater design freedom, and packaging materials can be assembled more easily. (2) Shock-absorption performance can easily be controlled by adjusting the composition of the materials.

The use of this packaging technology is expected to reduce the amount of CO₂ emitted during packaging manufacture and transportation to between one-third and one-half of levels with conventional styrene and containerboard packaging.

*PIM is an injection molding technology whereby shapes are formed by filling molds with materials made from paper, starch and water and then cooling them. The basic technology was jointly developed by the Yokoi Laboratory at the Institute of Industrial Science, University of Tokyo, Daiho Industrial Co., Ltd. and Nissei Plastic Industrial Co., Ltd. Olympus carried out applied research concerning the use of PIM technology to reduce packaging volumes as a member of the PIM Consortium, which was established under the auspices of the Foundation for the Promotion of Industrial Science to explore applications for the new technology.

Comparison of Environmental Burdens with Conventional Packaging Based on Life Cycle Inventory¹ (LCI) Analysis



¹This is an LCA method used to compile input-output accounts relating to environment burden items, using data for resource and energy inputs and production or product and waste outputs.

²The data for the PIM technology were estimated by Olympus based on production-related observations. LCI analyses for packaging methods other than PIM were estimated using statistics published by related organizations, including the Plastic Waste Management Institute and the Japan Business Machine and Information System Industries Association.

For the Environment

Biodiversity Conservation

As a company dedicated to the realization of human health and happiness through business activities guided by its “Social IN” management philosophy, Olympus respects all life on Earth.

Biodiversity Conservation

The reduction of biodiversity could have serious future implications, not only for humanity, but for every species on Earth. Growing international awareness of the need for global efforts to preserve biodiversity has been reflected in various initiatives, including the 10th meeting of the Conference of the Parties (COP10) to the Convention on Biological Diversity in Nagoya in October 2010.

Under its “Social IN” management philosophy, Olympus is working to fulfill its role as a company dedicated to business activities that help people to enjoy happy and healthy lives by actively contributing to the maintenance of biodiversity, on which all life on Earth depends.

Biodiversity brings many benefits that help Olympus to maintain its business activities, including water resources and climate adjustment. Olympus accordingly sees biodiversity conservation as a fundamental requirement for business continuity and has assessed the dependence and impact of its business activities on biodiversity.

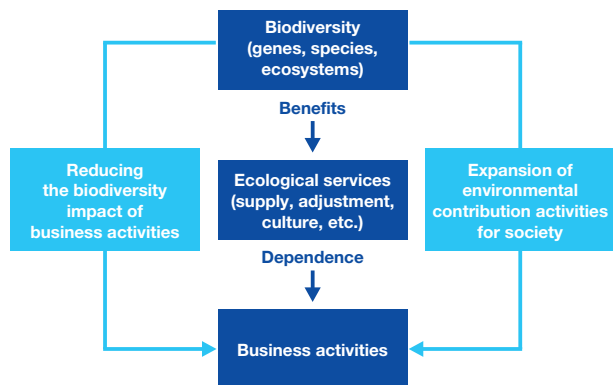
Starting in fiscal 2011, Olympus has life cycle activity assessments and biodiversity impact surveys at its business sites with the assistance of independent specialist organizations. This work will form the basis for administrative structures to support continuous efforts to maintain biodiversity, and for environmental contribution activities in partnership with local communities.

Through its business activities, Olympus is working at the organizational level to reduce environmental loads that affect biodiversity. It is also implementing environmental contribution activities for local communities.

Biodiversity Initiatives by the Olympus Group

Olympus researchers working on the development of a new microscope capable of capturing fluorescent images via a CCD became aware of a firefly species in Malaysia in the course of their research into reagents that would fluoresce more brightly. In line with the Access and Benefiting Sharing principle (ABS principle) concerning the utilization of overseas biological resources, Olympus worked with Nimura Genetic Solutions Sdn. Bhd., a Malaysian bioprospecting company with local production facilities and research teams, to share the benefits, including research expenditure and intellectual property rights, with Malaysia. The research and development project was guided by commitment to the equitable sharing of benefits with the country that owns the biological resource. (See Page 22 for details.)

■ Biodiversity Conservation Activities



■ Links between Business Activities and Ecological Services

	Ecological services with close links to business activities	Main focus of linkage
Supply	Wood and wood fiber	Use of copier paper
	Fresh water	Use of water to clean work areas
	Genetic resources	Use of luminescent substances from fireflies in the development of luminescence microscopes
Adjustment	Air quality adjustment	Emission of chemicals as a result of business activities
	Climate adjustment	Release of greenhouse gases as a result of business activities
	Water cleansing/ waste disposal	Disposal of waste at landfills
	Water recycling	Use of water in business activities
Culture	Ethical values (scenery/ existence of living creatures)	Photography, microscopic observation

For the Environment

Environmental Communication

Olympus regards human resource development as a basic aspect of manufacturing. Through our educational programs, we encourage all employees to take an active role in environmental activities.

Education and Awareness Activities

The Olympus Group is promoting in-house environmental education as a way of sharing values through two-way communication about environmental issues. We will involve all employees in efforts to reduce the Olympus Group's total environmental burden. We are actively committed to environmental initiatives as part of our contribution to society. Detailed information can be found on Pages 45-46.)

Company-Wide Environmental Education

Olympus provides environmental education for all of its employees in Japan and overseas. Programs are designed to match the roles and aims of participants and the types of business activities in which they are involved. Each Olympus site sets its own internal targets for personnel training, and systematically trains employees to become environmental and occupational safety and health specialists.

Company-Wide Environmental Education Programs Implemented by Environmental Departments

Seminar	Number of Seminars Held Annually	Number of Participants
Training for ISO14001 internal auditors	4	69
Training for ISO14001 internal auditors for employees with experience of ISO9001, etc.	4	42
Follow-up training for the revised ISO14001	1	20
Basic training for new graduation employees (hired by HQ)	2	59

*Seminars are aimed at Olympus Group companies in Japan.

Number of Personnel with Environmental Management Qualifications

Qualifications	Number of Personnel	Internal Standard	Number of Legally-Qualified Personnel
Pollution Control Managers	Air	28	12
	Water Quality	80	26
	Noise	9	6
	Vibration	6	6
Managers for Industrial Waste Requiring Special Treatment	58	16	14

*This information refers only to Olympus Group companies in Japan.

Environmental Awareness Month

In June 2010, Olympus Group companies in Japan and overseas observed the 35th Environmental Awareness Month. The aim of this initiative is to review your usual lives, Eco-Action in your workplace and homes. This year's program included the distribution of messages from the President and the activities described below. We also took our efforts to learn environmental improvement efforts in usual lives and raise continuous environmental awareness of by providing e-learning programs for all employees as the basis for operational reviews and an improved understanding of initiatives undertaken by Olympus.

Main Activities in Environmental Awareness Month

Activities
<p>Basic environmental e-learning education for all employees</p> <p>All employees in Japan received basic environmental education about global warming issues and environmental actions via the intranet. (For those who don't have access to computers, written materials are distributed.)</p>
<p>Environmental improvement ideas</p> <p>Environmental improvement ideas and cases in own workplace and home are collected and shared between all employees in Japan by in-house points program for environmental activities, ECOLY.</p>
<p>Black Illumination</p> <p>Advertising neon signs were turned off, and all business facilities were encouraged to reduce lighting.</p>
<p>In-House Poster Photograph Contest</p> <p>Employees at worksites in Japan and overseas were invited to submit photographs on the themes of environmental improvement efforts as CO₂ reduction and biodiversities. Posters showing the winning entries were displayed.</p>

ECOLY—Points Program for Environmental Activities

In fiscal 2009, Olympus launched the ECOLY (ECO + Olympus) points program for environmental activities. This in-house program is designed to encourage as many employees as possible to join in environmental activities by placing interesting information about the environment and related activities, such as CO₂ reduction, 3R (Reduce, Reuse, Recycle) activities, and the conservation of water resources, on the intranet. The aim is to make ecological action fun. For example, employees who participate in the ECOLY program earn points according to their level of environmental contribution and can redeem those points for eco-goods.



Local Activities

The Olympus Group implements unique environmental initiatives and social contribution activities targeted toward local communities. A selection of these activities is introduced on this page. Detailed information can be found on our website.

▶WEB **Activities in Japan** (Only in Japanese) <http://www.olympus.co.jp/jp/corc/csr/social/domestic/>

▶WEB **Activities in other countries** <http://www.olympus-global.com/en/corc/csr/social/overseas/>

Japan

Research and Development Center

● Manufacture and Sales of Organic Fertilizer by People with Disabilities

Organic waste from dining rooms is converted into organic fertilizer using in-house fertilizer manufacturing facilities. Olympus Supportmate Corporation, a special-purpose subsidiary established for employees with disabilities, packages the fertilizer for sale to local farmers and at roadside rest areas.

● Establishment of CO₂ Reduction Promotion Committee

Olympus has established a CO₂ Reduction Promotion Committee made up of members selected from nine areas of activity within its business sites. The task of the committee is to promote the efficient reduction of CO₂ emissions from business sites, and to ensure compliance with the amended Tokyo Metropolitan Ordinance on Environmental Preservation. It meets five times a year to discuss measures to reduce energy and electric power consumption.

Hinode Plant

● Waste Reduction through MFCA Process Analysis

Material waste was reduced by 40% and material consumption by 30% through modifications to raw material formats and processing procedures. The changes were based on process analyses of parts processed at the Hinode Plant using material flow cost accounting (MFCA) techniques.

Tatsuno Plant

● Donations Used to Fund Tree-Planting

No-car days were used as an opportunity

to collect donations to support a local tree-planting program. A total of 52 Japanese maple trees were planted in local parks as a result of this initiative, which was warmly welcomed by local residents.

● 80% Employee Participation in No-Car Days

Employees at the Tatsuno Plant have observed no-car days every wednesday since 2008. Each year over 80% of employees have participated in this program, which has reduced CO₂ emissions by 60 tons per year. Participation has reached almost 100% during no-car weeks implemented in June, which has been designated as Environment Month. This high level of support ensured even greater results.

Ina Plant

● Plant Tour for Community Environmental Workers

PHOTO 1

In response to a request from community environmental workers in Ina City, a plant tour was arranged for approximately 50 people. The tour, which included a briefing on environmental initiatives at the plant and future plans, made an important contribution to environmental communication with the local community.

● Work Experience Program for High School Students

PHOTO 2

The Ina Plant provides work experience opportunities for students from local junior and senior high schools. Participants learn about the satisfaction and challenges of work and are given experiences that would only be possible in a microscope plant, including practical training using lens components, and instruction in microscopic observation.

● Greenhouse Gas Emissions Reduced through Process Review and Solvent Changes

A new IPA vapor system was installed, allowing lenses to be dried after washing with IPA vapor instead of HFCs. The amount of solvents used was also reduced. Where it was not possible to avoid the use of solvents despite the process modification, the solvents used previously were replaced with HFE-7100, which has a low greenhouse gas conversion coefficient. These initiatives reduced CO₂ emissions by approximately 1,000 tons per year.

Shirakawa Plant

● Proceeds from Sale of Recycled Goods Used to Fund Cherry Tree Planting

Proceeds from the 14th annual recycled goods bazaar in November were used to fund the planting of cherry trees in the grounds of the Shirakawa plant.

● Wheelchairs Donated

PHOTO 3

When two wheelchairs provided for the use of visitors to the plant were replaced, the old wheelchairs were donated to a social welfare group in Nishigo Village.

● Raising Environmental Awareness through No-Car Days

In addition to comprehensive clean-up programs in the surrounding area, the Shirakawa Plant also helped to improve environmental awareness and reduce greenhouse gas emissions by implementing no-car days for employees. Operations at the plant were suspended for one month after the Great East Japan Earthquake. However, the plant was quickly repaired, and environmental initiatives were resumed as soon as production commenced.



PHOTO 1 Community environmental workers from Ina City tour the Ina Plant.



PHOTO 2 Students gain workplace experience in a microscope manufacturing facility.



PHOTO 3 Wheelchairs that were no longer required were donated to a social welfare organization.

Tokyo Office

● Community Clean-Up Program PHOTO 4

In December employees from the Tokyo Office cleaned streets in the surrounding area as a community contribution initiative. Despite extremely cold weather, participants gathered and sorted significant amounts of litter.

● Training in AED Use PHOTO 5

Vending machines in employee lounges on each floor of the Tokyo Office were recently replaced with models equipped with automated external defibrillators (AEDs). To ensure that as many employees as possible would be capable of using these devices, instructors from the Shinjuku Fire Station were invited to the office to present lectures on basic lifesaving. Approximately 160 people, consisting mainly of members of the in-house fire-fighting team, attended the lectures and received lifesaving certificates.

Aomori Olympus Co., Ltd.

● Instructor Provides Coaching for National Mechanical Inspection Qualification Tests

Aomori Olympus sent an instructor to Aomori Technical High School to provide coaching in the use of measurement equipment and help students prepare themselves mentally for measurement tasks. Six of the students who attended the lectures passed the exams and became the first students in Aomori Prefecture to qualify as mechanical inspectors.



PHOTO 4 Employees clean streets around the plant.



PHOTO 5 Instructors from the Shinjuku Fire Station were invited to present lectures on basic lifesaving.

● Internship Program

In August 2010, Aomori Olympus accepted interns from technical colleges, universities and graduate schools. The schools that requested the internships were very pleased with the program, saying that it provided their students with an opportunity to experience work at first hand, to discover their shortcomings, and to consider what they needed to study in their courses.

● Ongoing Tree-Planting Program in the Shirakami Mountains Area PHOTO 6

Since 2007, Aomori Olympus employees have been contributing to nature conservation and the local community by planting trees in the Shirakami Mountains, a registered World Heritage site. This year approximately 55 employees planted around 120 beech trees under the supervision of the Shirakami Mountain Preservation Society. Aomori Olympus also supported this non-profit organization by donating second-hand books collected within the company.

Aizu Olympus Co., Ltd.

● Engineer Seconded to Local High School PHOTO 7

In 2010, an engineer from the Aizu Olympus Skills Training Center was seconded to Aizu Technical High School to provide instruction in basic lathe skills. The participating students won a convincing victory in the Tohoku regional finals of a manufacturing skills competition for high school students.

● Awards for Eco-Friendly Commuting

Every spring and fall, Aizu Olympus runs eco-friendly commuting campaigns to en-



PHOTO 6 Tree-planting in the Shirakami Mountains



PHOTO 7 Victory in the Tohoku finals of a manufacturing skills competition for high school students

courage employees to commute using public transport or other methods that reduce CO₂ emissions, instead of motor vehicles. This year this initiative reduced CO₂ emissions by approximately 3 tons. In the fall, awards were presented to the five employees that made the biggest contribution to the reduction of emissions.

Olympus Logitex Co., Ltd.

● Modal Shift for Pallets Used for Shipments from Suppliers PHOTO 8

CO₂ emissions were reduced by 16 tons per year through the active use of rail transportation not only for product shipments from factories and transfers between warehouses in Kawasaki and Osaka, but also for the return of pallets used to ship goods from suppliers.

Olympus Medical Science Sales Co., Ltd.

● Participation in Early Morning Voluntary Community Clean-Up Campaign PHOTO 9

All employees at the Hachinohe Office participated in this voluntary environmental beautification program, which was organized as a collaborative initiative by citizens and the City of Hachinohe. Participants got up early on two weekend mornings to clean beaches and city areas.



PHOTO 8 Olympus Logitex has implemented a modal shift for the return of empty pallets used for shipment from suppliers.



PHOTO 9 Employees of Olympus Medical Science Sales participate in voluntary community clean-up program.

Overseas

Europe

Olympus Europa Holding GmbH (OEH)

● Bicycles Used to Promote Environmental Awareness

PHOTO 1

In addition to the purchase of green electric power (see Page 55), OEH also supports bicycle commuting for its employees during the summer (June–August). The purpose of this program is to reduce environmental loads resulting from commuting. On Environment Day (June 11), professional mechanics checked and adjusted bicycle brakes, gears and lighting free of charge in the company parking lot. OEH also installed bicycle-powered generators to provide employees with a better understanding of the amount of effort required to produce electrical energy.

KeyMed (Medical & Industrial Equipment) Ltd.

● Independent Verification of Energy Savings

Twelve groups chosen from within the company proposed and implemented single-year programs as part of the company's five-year environmental improvement plan. These programs yielded significant results, including reductions in electric power consumption, which were verified independently by the British Standards Institute (BSI).

Olympus Surgical Technologies Europe (OSTE) [Hamburg]

● Wastewater Reduction Facilities Installed

OSTE saves the equivalent of 2,333 tons of CO₂ per year by purchasing green electric power (see Page 55). Like electric power, water is also a valuable resource, and OSTE worked to reduce the amount of wastewater produced by preparing for the start-up of water recycling systems in June 2011. The new facilities will allow the company to treat water on-site.



PHOTO 1 OEH is encouraging employees to commute by bicycle.

North America

Olympus Corporation of the Americas (OCA)/ Olympus America Inc. (OAI)/ Olympus Imaging America Inc. (OIMA) [Corporate Headquarters]

● Community Contribution through the Visionary Volunteers Program

Employees and their families contribute to the communities in which they reside through the Visionary Volunteers Program. One of the areas targeted is an historic canal following the course of the Lehigh River in Pennsylvania, where volunteers are engaged in conservation efforts, including the replanting of vegetation in areas affected by erosion. Volunteers also took part in the International Coastal Cleanup on Long Island.

● Supporting Patient Safety

Olympus America (OAI) provides financial support to the Association of periOperative Registered Nurses (AORN), an organization dedicated to patient safety. Funds donated to AORN are used to provide scholarships for nurses as part of efforts to improve safety for patients undergoing surgery.

● Ongoing Initiatives to Raise Awareness of Colorectal Cancer

PHOTO 2

Olympus America (OAI) is engaged in a continuing effort to educate the public about colorectal cancer. In partnership with Fight Colorectal Cancer, the Prevent Cancer Foundation and other groups, OAI supported a colorectal cancer examination event in Washington DC and implemented various initiatives in cooperation with government officials and medical professionals.

● Launch of Olympus Green Team

PHOTO 3

The Olympus Green Team was established as a vehicle for employee initiatives to improve the attractiveness and safety of work sites and communities by reducing environmental loads. In addition to efforts to reduce



PHOTO 2 OAI supports events to promote colorectal cancer examinations.

electric power and resource consumption at corporate headquarters, activities also include initiatives in partnership with the utilities that supply electric power to households to make effective use of landfill waste, the volume of which is high in the United States because of the limited use of incineration. Examples include the use of waste to generate electric power.

Olympus America Inc. [National Service Center (NSC)]

● Donations through Corporate Events

NSC donated \$5,600 and 100 pounds of canned tuna to the Second Harvest Food Bank of Santa Clara and San Mateo Counties. The funds were collected by employees at lunchtimes and through bowling and hula hoop competitions. There was also a \$1,390 donation to the American Cancer Relief Society.

● Environmental Load Reduction Efforts Based on Regional Characteristics

Efforts to reduce environmental loads continued in 2010. For example, a 5% year on year reduction in water use was achieved by modifying sprinkler systems. This saving was particularly significant because of the serious drought affecting San Jose, California. Initiatives during Environment Month included not only efforts to prevent global warming and increase resource recycling, but also water conservation through the planting of drought-resistant species in green areas around the plant.



PHOTO 3 A panel display concerning the activities of the OCA Olympus Green Team

Olympus Gyrus Inc. (OGA)

● **Community-Focused Voluntary Activities**

PHOTO 4

Voluntary activities continued throughout the year. Community-based initiatives included food donations and a clean-up program at the Stamford Museum & Nature Center. In addition, donations were made to victims of the tsunami caused by the Great East Japan Earthquake.

● **Safety Included in Environment Day Activities**

PHOTO 5

In June all employees took part in events staged at corporate headquarters to raise awareness of safety and the environment. There were lectures by local police, firefighters and suppliers about safety and energy conservation. Other topics covered included resource recycling, such as the 100% recycling of paperboard boxes and wooden pallets, and the purchasing of eco-friendly office and home products. In addition, eco-bags were distributed to raise the environmental awareness of participants.

books and magazines that they have finished reading with other employees. This program was welcomed not only as a way of reducing waste, but also because of its value as an efficient approach to the acquisition of new knowledge.

● **Installation of “Green Curtains”**

PHOTO 6

“Green curtains” were created along the outer walls of the factory and administrative buildings by planting a variety of species, including *Momordica charantia* (bitter melon), loofah and Japanese honeysuckle. These curtains will reduce indoor temperatures by reducing exposure to the sun in summer. In addition, employees are able to enjoy the vegetables and flowers produced by the plants while also gaining a first-hand awareness of environmental issues.

Olympus (Beijing) Industry & Technology Ltd. [PanYu Factory](OGZ)

● **Environmental Education and Firefighting and Evacuation Drills for All Employees**

PHOTO 7

During Environment Month, OGZ ran a lecture program for all factory employees. The aim of this initiative was to foster awareness of the environment, both at work and at home, by presenting case studies about environmental contamination accidents and teaching day-to-day environmental protection skills. In November, the company also strengthened safety preparedness by implementing evacuation, emergency rescue and firefighting drills based on a fire disaster scenario.

Olympus Optical Technology Philippines, Inc. (OPI)

● **Continued Commitment to Tree-Planting Program**

OPI employees undertook a tree-planting project as part of a nature conservation initiative that began in 2005. In 2010, mangrove trees were planted on Olango Island, Cebu.

● **Emphasis on Environmental Education for Employees**

Priority is being given to environmental education for new employees. In addition to basic education about the causes and effects of environmental problems, employees also learn about the maintenance and improvement of environmental management systems. The aim is to train employees to be more environmentally aware and better able to contribute to environmental protection.

Olympus Singapore Pte Ltd. (OSP)

● **Voluntary Activities by Employees**

PHOTO 8

OSP contributes to local communities through voluntary welfare activities. In September, employee volunteers created opportunities for friendship encounters with residents at Singapore Cheshire Home, a center for people with disabilities. Ongoing activities include the invitation of residents to visit the Singapore Flyer, which is one of the world’s biggest observation wheels.

Other Regions

Olympus (Shenzhen) Industrial Ltd. (OSZ)

● **Book Recycling Initiative by Employees**

During a six-month period, 300 books were shared within the company under an initiative to encourage employees to recycle



PHOTO 4 Clean-up activities in Neshar, Israel



PHOTO 6 “Green curtains” at OSZ



PHOTO 8 Friendship encounters with residents at a center for people with disabilities



PHOTO 5 Employees receive eco-bags.



PHOTO 7 A fire drill at OGZ



PHOTO 8

External Assessments

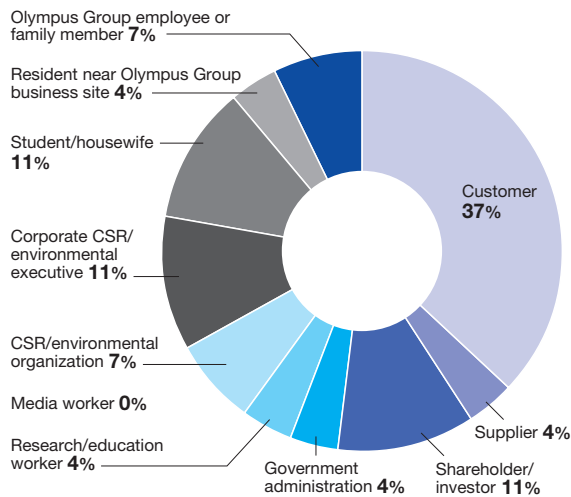
Results of Questionnaire Survey on 2010 Olympus Corporate Social Responsibility Report Digest

We would like to thank the many people who submitted their views and impressions concerning the 2010 Olympus Corporate Social Responsibility Report Digest.

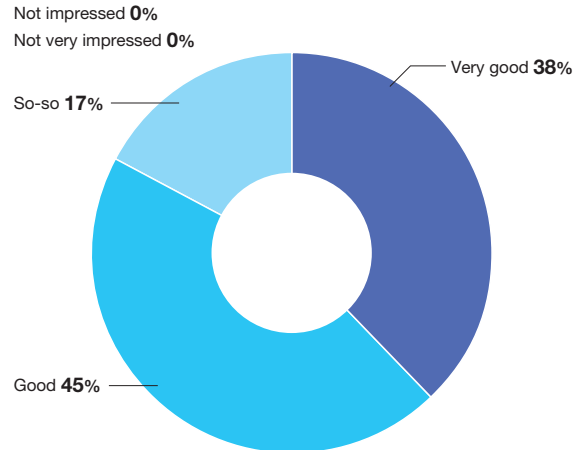
In addition to the questionnaire survey distributed with the report, we sought to increase the number of comments and impressions received by commissioning a questionnaire survey on the 2010 Olympus Corporate Social Responsibility Report Digest and the corporate social responsibility using the donation survey* system of DFF Inc. The responses received were reflected in this Olympus Corporate Social Responsibility Report.

*Donation survey: When a person registered with DFF Inc. responds to a corporate questionnaire, the company concerned donates ¥100 on behalf of the respondent to a non-profit organization nominated by the respondent.

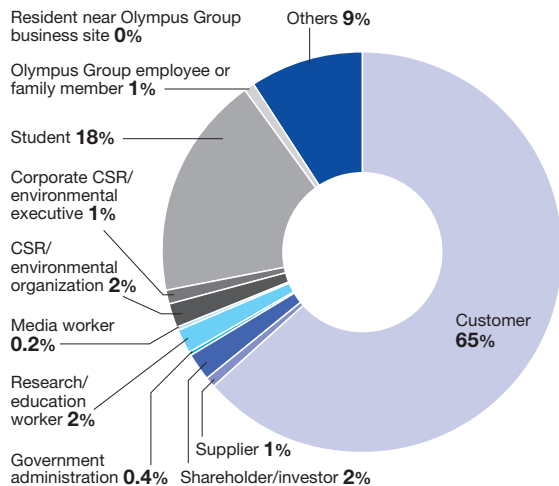
■ Circumstances of people who read the 2010 Olympus Corporate Social Responsibility Report Digest (total responses: 27)



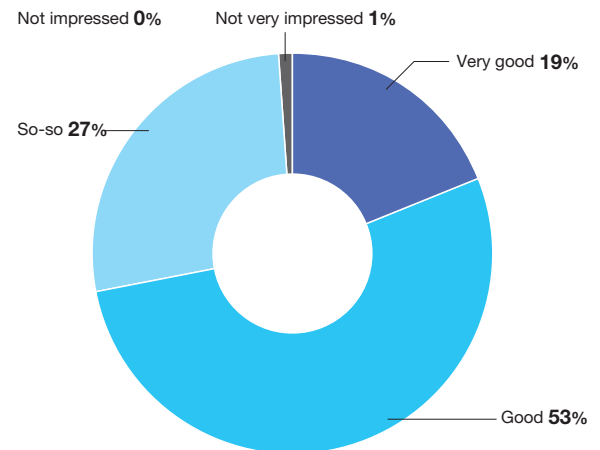
■ Assessments by people who read the 2010 Olympus Corporate Social Responsibility Report Digest (total responses: 27)



■ Circumstances of donation survey participants (total responses: 502)



■ Assessments by donation survey participants (total responses: 502)



■ Recipients of Funds from Donation Survey

In accordance with the wishes of survey participants, funds were donated to WWF Japan, Amnesty International Japan, Save the Children Japan, National Women's Shelter Net, the Japan Philanthropic Association, and the Child Line Support Center.

■ Issues highlighted concerning the 2010 Olympus Corporate Social Responsibility Report Digest

Issues highlighted	Resulting changes to the Olympus Corporate Social Responsibility Report
There should be detailed information about risks and other key items.	Starting in 2011, we will publish not only the digest version and the website but also the full report (in Japanese and English).
There should be descriptions of activities in each segment.	We reported on areas of activity in each business segment (Page 27) and on our initiatives for consumers in each business segment (Pages 9-14).

Foreword to the Olympus CSR Full Report

We have decided to publish the CSR Reports for 2011 in PDF form only because of concerns about possible shortages of paper and ink resulting from the unprecedented devastation caused by the Great East Japan Earthquake. We apologize for any inconvenience that this may cause to stakeholders.

This year's CSR Report consists of the Digest, the Full Report and information on our website. The Digest provides a general overview, while detailed information can be found in the Full Report and on the website. We developed this structure with the aim of informing stakeholders as clearly as possible about the CSR initiatives of the Olympus Group.

We have also made changes to the survey implemented in conjunction with the CSR Report, which is an important tool for communication with stakeholders. Instead of the paper survey form included in the reports in previous years, we have actively expanded the use of the website for this purpose. We hope that as many stakeholders as possible will participate in this survey, so that we can apply this valuable input to our future CSR activities.

Our Corporate Strategic Plan (CSP) includes a commitment to work toward the solution of social issues from a global perspective. We are fulfilling that commitment by focusing on the needs of society both within and beyond our business areas, and by carefully identifying global issues and working toward their solution.

In addition to specific descriptions and detailed data about our initiatives, this year's CSR Report also provides easy-to-understand information, including highlights, results of key initiatives, and our efforts in response to the Great East Japan Earthquake. There is also information about CSR management, such as the establishment of the CSR Committee, the reinforcement of compliance systems, the improvement of education, and the promotion of CSR procurement.

We will continue to identify social issues and values from a global perspective within the framework of our "Social IN" management philosophy, and to build dialog with stakeholders by providing with clear information about the results of activities through the CSR Report and other forms of communication.

Hisashi Mori
Executive Vice President and
Executive Officer in charge of
CSR Division
Olympus Corporation



Corporate Profile/Financial Highlights

Please visit investor relations website for updates and detailed information.

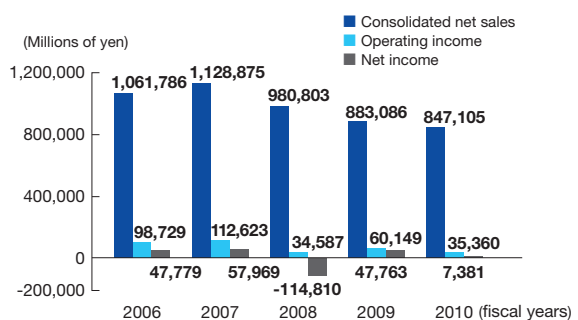
»WEB Investor Relations

<http://www.olympus-global.com/en/corc/ir/summary/>

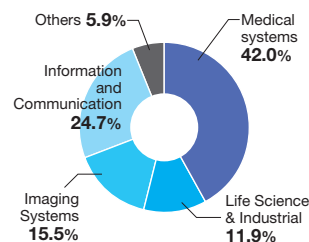
● Olympus Corporation

Established October 12, 1919
Head office Shinjuku Monolith, 3-1 Nishi-Shinjuku 2-chome, Shinjuku-ku, Tokyo 163-0914, Japan
Activities Manufacture and sales of precision equipment
Capital ¥48,332 million

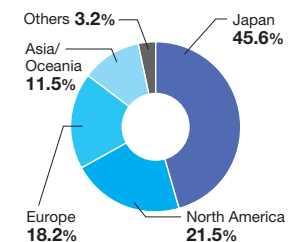
■ Consolidated net sales, operating income, net income



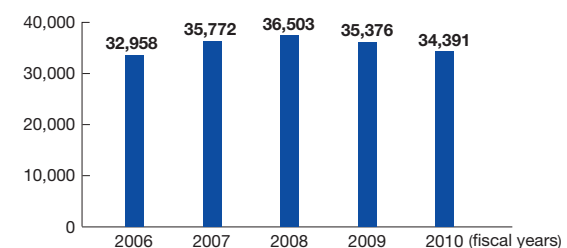
■ Segment contributions to consolidated net sales in fiscal 2010



■ Consolidated net sales by market in fiscal 2010



■ Consolidated number of employees



● Business Fields

Medical Systems

Manufacture and sale of medical endoscopes, surgical endoscopes, endotherapy devices, etc.



Life Science & Industrial

Manufacture and sale of biological microscopes, industrial microscopes, industrial endoscopes, non-destructive testing equipment, etc.



Imaging Systems

Manufacture and sale of digital cameras and recorders



Information and Communication

Sale of mobile telephones, etc.

Other Activities

Development of systems, manufacture and sale of biomaterials, etc.



Olympus Corporation Contact

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Olympus Corporation Social Responsibilities Activities website <http://www.olympus-global.com/en/corc/csr>

Translated Japanese version of October issued on November 7, 2011. Next volume scheduled for issue in August 2012.